THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

How They are Building a Capital at Nanking

Hornbeck's Views on Treaty Situation!

China Would Obtain Equality and Justice With a Modern Navy

Can They Prevent Another Internal War?

By J. B. P.

Japan's Futile Policy in Manchuria

By Dr. S. Washio

Taxes in the Interior of China

By C. B. Rape

評論報

SATURDAY, AUGUST 25, 1928

FORTY CENTS A COPY

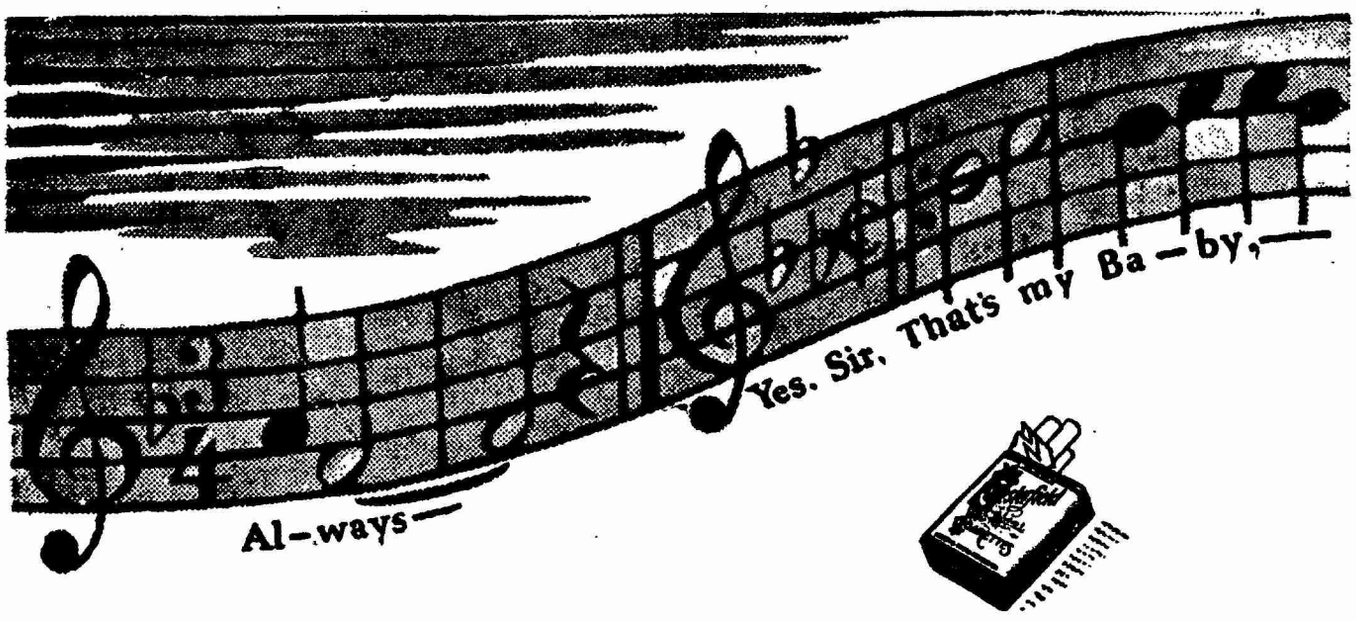
Vol. XLV No. 13.

Millard Publishing Co., No. 4 Avenue Edward VII, Shanghai, China 上海愛多亞路四號密勒氏評論報館

Insurance in the A.A.U. means a liberal policy, low cost and prompt settlement of cliams.

American Asiatic Underwriters, Fed. Inc., U.S.A.

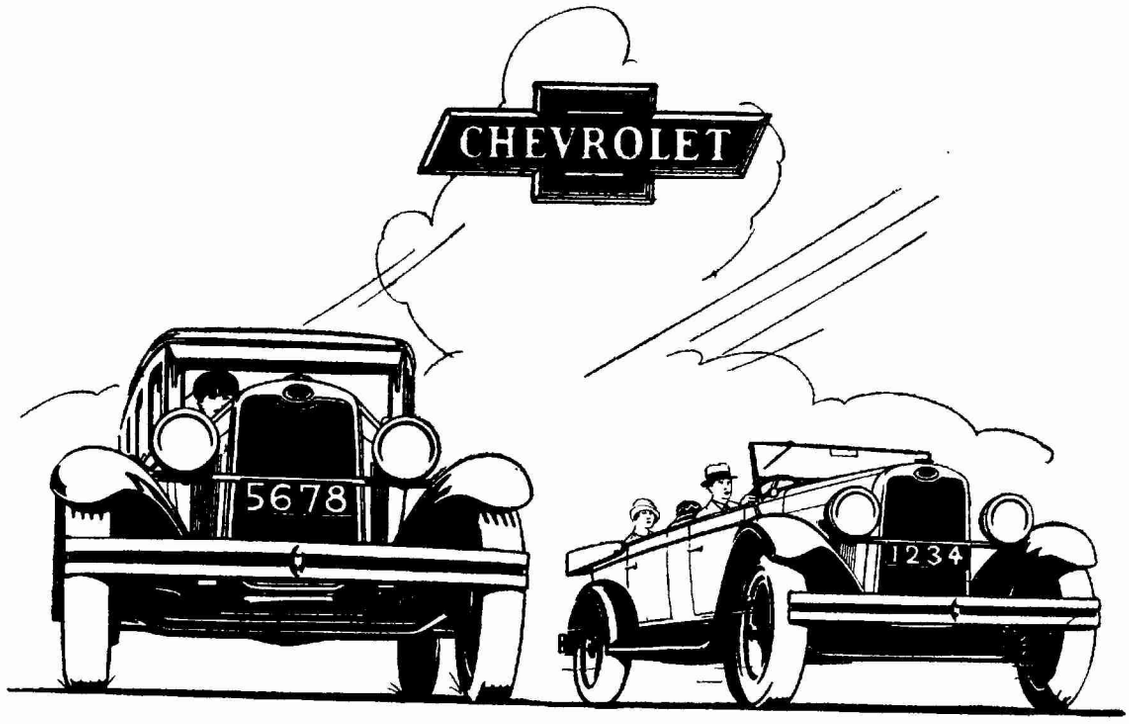
45-509



Chesterfield smokers don't change with the song hits ...

...but watch how other smokers are changing to Chesterfield!

45-510



Why is it?

Why is it that so many new Chevrolets are seen on every road and in every town? Why is the acceptance of this fine car by the public of China so sensational?

You see Chevrolet everywhere!

Chevrolet owners know from experience that Chevrolet is economical to operate, that it stays continuously in service and, above all, that passengers demand the smooth riding qualities given by Chevrolet.

With its longer wheelbase, greater beauty, increased comfort and lowered prices, Chevrolet is the choice of the shrewd buyer.

May we call and demonstrate Chevrolet qualities to you?

Shanghai
Hartzenbusch Motor Co.,
456 Avenue Foch.

Hankow
Arnhold & Co.,
S.A.D. No. 1 The Bund.

Tsingtao
Casey & Lyttle,
Lü Tsun & Weihsien Roads.

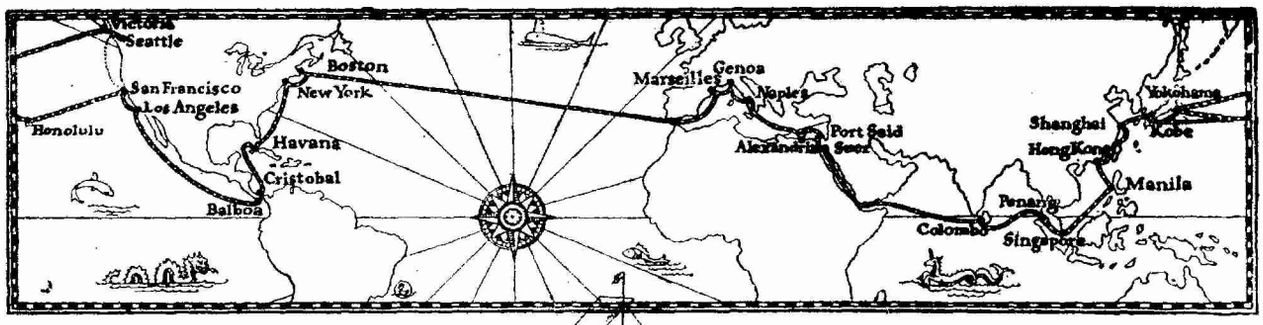
Tientsin
Chihli Motors Ltd.,
11 Rue de Paris

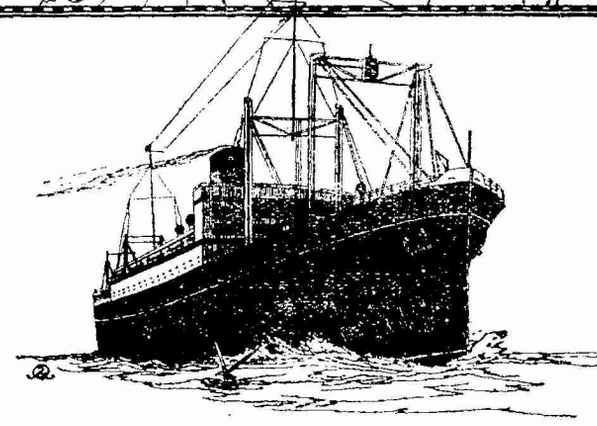
Harbin
G. A. Bashkiroff & Co., Inc.,
5 Horvatovsky (P. O. Box 11)

Peking
Chihli Motors Ltd.,
11 Rue de Paris, Tientsin.

Chevrolet is a Product of General Motors

45-511





EAST OR WEST

A Service Unexcelled

The palatial "PRESIDENT LINERS" of the Dollar Steamship and American Mail Lines accord you the finest in Ocean Transportation. The public rooms are luxuriously appointed and commodious. The wide decks as well as the glassed-in promenade permit of deck games, strolls, long rows of steamer chairs and that appreciated sense of sheer enjoyment.

The Cuisine is world famous. Crisp lettuce, celery, fruits, fresh milk, eggs, meats, all delectably prepared by competent and skilful chefs. The service is all that you could desire.

The staterooms on "PRESIDENT LINERS" are all outside, large and beautifully furnished. Beds ensure maximum travel comfort. Hot and cold running water, wardrobes, mirrors, reading lamps, thermos bottles, fans. Many rooms have private tub and fresh water baths. You will enjoy traveling to America, Interport or Round the World to Europe on these great modern, fast Liners.

WEEKLY SAILINGS TO AMERICA
ONE WEEK TO SAN FRANCISCO AND LOS ANGELES VIA HONOLULU
FOLLOWING WEEK TO VICTORIA B.C. AND SEATTLE VIA THE SHORT ROUTE
FORTNIGHTLY ROUND THE WORLD VIA HONGKONG, MANILA, STRAITS, COLOMBO, EGYPT, ITALY, FRANCE, TRANSATLANTIC TO BOSTON AND NEW YORK

Dollar Steamship Line
American Mail Line

The Robert Dollar Co., General Agents.
BRANCH OFFICES IN ALL PRINCIPAL CITIES AND ROUND THE WORLD

45-512

密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

VOLUME XLIV SHANGHAI, CHINA, SATURDAY, AUGUST 25, 1928 NUMBER 13

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 4 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher

LIZEN SCHENG, Advertising Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) WM. STEPHEN WANG (Tientsin)
H. P. SHASTRI SAMUEL H. CHANG (S'hai)
LAWRENCE IMPEY (Peking)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs
- The Alternative To Military Control! 409
- More Complications in the Manchurian Muddle 410
- How They are Building the Capital at Nanking 410
- Where the Foreign Press Obtains Chinese News! 412
- China Would Attain "Equality and Justice" Through Development of a Modern Navy! 413

Special Articles
- U. S. Press Approves Kellogg Note and Treaty 418
- Sino-American Treaty as Viewed by Soviets 419
- U. S. Comment on China-Japanese Dispute 420
- Further Treaties Only Await China Stabilization—Hornbeck 421
- Taxes In The Interior of China ..... By C. B. Rape 426
- Can the Nationalists Prevent Another Internal War? ..... By J. B. P. 432
- Japan's Futile Policy in Manchuria ..... By Dr. S. Washio 435

Men and Events 437
From the Chinese Press 439
New Books of Interest in the Far East 440
What the Ships Carry between America and China v

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICAN OFFICE
WORLD WIDE NEWS ASSOCIATION
11 West 42nd Street New York City

Telephone: Longacre 4500 Cable Ad: Scholzem, N. Y.
PACIFIC COAST OFFICES (World Wide News Association)
William C. Lyon, L. C. Smith Bldg., Seattle

Orders for advertisements and subscriptions in the United States may be placed throught the above offices.

WASHINGTON BUREAU

J. J. Underwood—Correspondent
Colorado Building, Washington, D.C.

THE ALTERNATIVE TO MILITARY CONTROL!

DR. SUN YAT-SEN, the first or provisional president of China was forced to step aside for the militarist Yuan Shih-kai and since that time the Chinese republic has been controlled by military men. The revolutionary movement of the past two years has brought in more civilian control than had existed since the first revolution in 1911, but China is still controlled by military men, Chiang Kai-shek, Feng Yu-hsiang, Bei Tsung-chi, Li Tsung-jen, Ho Ying-ching, Li Chai-sum, Yen Hsi-shan and so on. These men have the power in their hands and still rule China. However they are better military men than the ones they displaced because most of them have modern educations and hence a better conception of what should be done to improve conditions in China and China's relations with the rest of the world. The term "militarist" has come to have a bad meaning in China because of the ignorance and mediaeval-mindedness of the generals who have controlled the country since the overthrow of the Manchus. But China is still controlled by military men and the prospects are that they will maintain control for a considerable number of years—the reason being that there has not yet been developed in China a powerful middle class of merchants and property-owners sufficiently strong to control the political and economic course of events. There has been much talk of communism, proletarianism, and risings of the peasants and laborers, but there is very little prospect of anything coming of these movements because of the over powering ignorance of the so-called Chinese masses. Most of these movements in China have degenerated into common banditry, murder and arson because the average Chinese peasant is not politically-minded. He has been bound down by family ties, superstitions and customs and illiteracy for so many centuries that it will require two or three generations of general education before he has any conception of a China that is greater then the boundaries of the district where he happens to live. The Chinese labor unions have accomplished considerable in the political and economic education of their members in recent years, but the labor union movement in China is very young and the total number of organized laborers is too small to be able to exercise any particular effect upon the course of government. Here again it will require many years of education before the organized labor movement can hope to exercise much political influence. The merchant class is better educated and more advanced than the laborers and peasants and recently has begun to make its influence felt, but generally the merchants and bankers do just about what the military men want them to do. They may do a lot of grumbling but they usually end up by paying the

taxes and buying the government bonds. Therefore the prospects are that China will, for a considerable number of years, continue to be governed by so-called military men because they have the power in their hands and will not relinquish it voluntarily. If they cooperate with the merchant and propertied classes, and so-called intellectuals such as the university faculties and students,—the middle elements in the population—they should be able to give China a reasonably good government, at least until the lower classes can be uplifted educationally and economically to a point where they can express themselves. As the situation stands today the only alternative to military control would be control by illiterate peasant-labor elements which have not the slightest conception of government. There are of course intelligent leaders in the peasant-labor group, but they couldn't begin to control and discipline their own followers should they by any chance get into a position to dominate the political situation. As stated, the hope in the present situation rests largely in the fact that the recent revolution has brought into power a younger and more intelligent group of military and political leaders who have some conception of the place that China should occupy in the modern world. Dr. Sun Yat-sen's great contribution has been in providing an inspiration for these men, which tends to hold them together and forces them to work together for the common good. If they can succeed in keeping the country internally peaceful for a time in order to enable the work of reconstruction to begin there is hope that the war psychology may pass permanently. After all there are militarists and militarists, good soldiers and bad soldiers, just as there are good and bad elements in every other walk of life. During the course of the World War both America and Europe were dominated by military men, but when the war was over these men went back to work. If China's new generation of generals can follow a similar course—and present tendencies point in that direction—there is no reason why the term "militarist" should continue to be a term of opprobrium in this country!

MORE COMPLICATIONS IN THE MANCHURIAN MUDDLE

RECENT reports from Peiping and Mukden have told of several allegedly Mongolian bandit raids into Holungkiang Province of North Manchuria resulting in the cutting of the Chinese-Eastern Railway between Manchouli and Hailar. The damage to the railway is reported as not serious, but the fact that Mongolian tribesmen are becoming active at this particular time may be serious owing to the crisis now prevailing in South Manchuria between the Chinese and Japanese. No one knows just what is behind the activities of the Mongols, but reports from Tokyo on August 20 stated that the Japanese military authorities allege that the Soviet Russians may have something to do with it. The Japanese thus far have confined their activities to South Manchuria, concentrating their forces along the Peiping-Mukden and South Manchuria Railway in Shengking and Kirin Provinces. The present Japanese northern military outpost is at Changchun at the junction of the Japanese Government-owned South Manchuria line and the Sino-Russian-owned Chinese-Eastern Railway, the Japanese having thus far refrained from sending any troops into Holungkiang Province of North Manchuria. But now that so-called Mongolian banditry outbreaks have occurred in south-western Holungkiang, the Japanese have begun talking about dispatching troops into North Manchuria. It is impossible to say at this distance just what is involved in the alleged raids of Mongolian tribesmen. They may have been instigated by the Japanese for the purpose of creating a situation which would justify a further extension of the Japanese zone, or they may be inspired by the Mongolian Government at Urga for the purpose of bringing a portion of Holungkiang Province under the control of Mongolia, where Russia is now reported to be in a dominant position. It is said that a considerable section of Holungkiang Province south and west of the Chinese-Eastern Railway, known as Barga, which is populated largely by Mongolians and Russians, has been desirous of joining Mongolia. The Manchurian situation is therefore made more complicated and the Japanese are given further justification (in their own eyes) for advancing their troops into Northern Manchuria where Chinese pro-Nationalist sentiment is said to be even more pronounced than it is in South Manchuria which the Japanese already dominate. Whether or not the Japanese have anything to do with the Mongolian trouble, they are certain to use it for bolstering up their position in Manchuria which is steadily drifting in the direction of annexation. What Russia will do in the circumstances is difficult to say, but obviously Russia is not in any position to fight Japan because such a war would certainly precipitate complications in Europe with the Russian border states that Russia is not in any position to face at this time. The situation now prevailing in the Far East with China and Japan practically at war and with international complications looming in Manchuria provides a rather sad background for the signing of the Kellogg outlawry of war treaties in Paris next week. Perhaps Mr. Kellogg's anxiety to rush through the new peace treaties is inspired by a premonition of another international catastrophe having its setting in this part of the world!

HOW THEY ARE BUILDING THE CAPITAL AT NANKING

A QUESTION which one frequently hears is, "Are the Nationalists in earnest about the establishment of their national capital at Nanking?" Still another question is, "Don't you think they will finally go back to Peiping?" We know of no single man or woman or group of men or women among China's population of 400,000,000 who can answer that question with any degree of certainty, the reason being that political conditions in China are still in a somewhat nebulous state and no one knows what the morrow will bring. But it is possible to find considerable evidence pointing toward Nanking as the future Capital of the Nation, evidence which is more convincing than it was a year ago. And what is this evidence? An American firm which deals in lumber stated recently that lumber sales in Nanking have doubled in recent months, an evidence that considerable construction is going on. The repair of buildings which were looted at the time of the Nanking incident in the spring of 1927 is responsible for some of this construction, but only for a small part of it. The chief demand for lumber in Nanking is for the construction of buildings to house the offices of the Nationalist Government. Of course they have not started work on the construction of the elaborate new Capital, which is still a dream in the minds of the political and military leaders. When Gen. Chiang Kai-shek first established the Nanking Government, there naturally were no suitable buildings for gov-

ernment offices in the city. It was therefore necessary to utilize buildings which were available, some of the buildings being missionary property which was vacant owing to the departure of the missionaries following the Nanking incident. None of these buildings were suitable for government offices, but the officials went ahead and adapted themselves to the situation. In some cases where missionary property had been occupied, it was later evacuatd and in other cases arrangements were made with the missionaries for leasing the property. There is still some missionary property occupied. Mr. John Van Antwerp MacMurray, the American Minister in Peiping, recently sent a sharp note to the Nationalist Government demanding the immediate evacuation of a few pieces of American missionary property which are still occupied by branches of the Government. If Mr. MacMurray had any idea of the desperate housing situation which exists in Nanking he might have been more temperate in his language for Nanking today is one of the most congested cities in the world, there literally being "no place to stay." The Nationalist Government has been doing its best to evacuate the mission property, but as stated in the foregoing, there actually are no other buildings available and if the government officials were forced to evacuate they probably would have to put their office desks and filing cases in the center of the street or in a corn-field. The Nationalist Government is thus faced by a situation rather than a theory and it is extremely doubtful whether any other government would have acted differently. The mission buildings were there and they were vacant, the missionaries themselves having been warned by their own authorities to stay out of Nanking. However, the situation is being adjusted gradually, through the erection of new temporary buildings. As the Government offices and officials have multiplied, new temporary structures have been erected. Then still more have been built. This is the situation in Nanking today and this is the way the new Nationalist Capital is being constructed to meet pressing needs. A new modern Capital with broad streets, palatial office buildings and hotels may be built sometime in the future, but for the present any kind of building with a roof and four walls is being made to serve pressing needs and if more room is needed, the carpenters and brick-masons do the job in a couple of days. This explains the increased demand for lumber in Nanking.

IT IS DIFFICULT for anyone who has never been in Nanking to visualize the situation which prevails there at the present time. Nanking is a sort of country-town type of city; in fact it is two cities, the one outside the old wall and adjacent to the Yangtsze River where the ships dock being known as Shaokwan. The railway station is also at Shaokwan. The old city of Nanking is located about eight miles from Shaokwan inside the ancient city wall which is about thirty miles in circumference. Aside from a few modern buildings which had been constructed by the missionaries and by some of the branches of the Kiangsu provincial government, Nanking is most primitive. The streets are narrow and the shops are nearly all one-story structures with brick walls and tile roofs. Nanking has not in recent years been a prosperous city, hence the town has somewhat the appearance of a dilapidated western town in the United States which had known better days. Nanking, of course, has had its past grandeur, for it was once a National capital. The ruins of the Ming tombs in Nanking are still a magnet for tourists and up to a few years ago a considerable section of the city was covered by the old examination halls where thousands of students from all parts of the empire gathered for the civil-service examinations in the classics. These cell-like structures have now practically all been torn down. The city of Nanking has about a half million people, but it does not by any means fill the space inside the city wall. There are hundreds of acres of farming land inside the city wall, including an excellent experimental farm maintained by the Nanking University College of Agriculture and Forestry. There is therefore all kinds of room for the construction of a modern Capital in Nanking and the Nationalist Government ought to hold a prize competition open to architects all over the world for plans for a new capital. This was done by Australia and by several countries of South America.

THE NATIONAL Reconstruction Committee which has charge of the plans for a new capital at Nanking has asked for an appropriation of $50,000,000 for the first five years' work on a new capital, one-fifth of the sum to be appropriated by the central government and the remainder apportioned to the various provinces ranging from $100,000 to $2,800,000 each. It has been reported that a Chinese firm of architects at Shanghai has already drawn up a tentative plan for the new capital, but the details have not yet been made public. The most impressive thing at Nanking today is the Sun Yat-sen mausoleum which is located on the side of Purple Mountain about fifteen miles from the banks of the Yangtsze at Shaokwan. Work has been proceeding on this structure for about three years and it is now possible for the visitor to sense the future grandeur of the completed edifice which will undoubtedly rank with structures of similar character elsewhere in the world. It will consist of a memorial hall of semi-western type constructed of granite with the actual tomb built of steel and concrete in the rear and connected with the memorial hall by a modern steel bank-vault combination door. The memorial hall and tomb stand on a spacious esplanade of cut-granite with memorial pillars or towers on each side. Then from the esplanade there stretches down to the foot of the mountain for a distance of practically two city blocks a grand stairway of granite construction which is most impressive. At the last meeting of the Central Executive Committee of the Kuomintang it was voted to build a road from the foot of the mountain directly to the bank of the Yangtsze River at Shaokwan, part of this road to be 240 feet wide and the remainder 80 feet. According to the tentative plans this road will run directly through the center of Nanking and will necessitate the razing of thousands of Chinese shops. The whole scheme for the construction of a National Capital will center about or along this road leading to the Sun Yat-sen Memorial. It was Dr. Sun's idea that the future National Capital of China should be at Nanking and he made his plans known originally in January, 1912. He also gave directions that his body should be buried on Purple Mountain. Dr. Sun's directions, plus the fact that Nanking is accessible from all parts of the Republic, are the propelling motives which make for Nanking the future capital of China. The desire of the young republicans to get as far away as possible from Peiping with its traditions of monarchism, imperialism and the hated Boxer Protocol, constitute a further motive. This constitutes the present evidence in favor of Nanking and answers to the best of our ability the questions propounded in the opening paragraph!

WHERE THE FOREIGN PRESS OBTAINS CHINESE NEWS!

THE CHINESE are frequently mystified regarding the source of news reports pertaining to Chinese activities which appear in the local foreign newspapers in Shanghai, an example of which was provided recently when Mr. Wunsz King, Commissioner of Foreign Affairs and Judge Ho Shih-tseng, president of the Provisional Court both protested regarding accounts of their addresses which appeared in the foreign press. The addresses were delivered on the occasion of the inauguration of Judge Ho as President of the Provisional Court on August 6. The next day all of the foreign newspapers in Shanghai printed somewhat lurid accounts of the addresses delivered by Chinese officials at the meeting, the articles in the foreign newspapers all being identical with minor variations as to wordage. Since the addresses were all delivered in the Chinese language and no English translation was supplied to the foreign press, the Chinese naturally have been mystified as to the source of the reports which appeared in the foreign newspapers. The *China Critic*, a local weekly magazine published in the English language by Chinese interests in Shanghai commented on the subject in its issue of August 16, calling attention to the fact that the speeches were delivered in Chinese; that the reporters and correspondents of the foreign newspapers are all foreigners who have little or no knowledge of the Chinese language. In view of this situation the editor of the *Critic* reached the conclusion that "apparently some one. . . .had prepared a report by picking up one Chinese word here, and another there, interpolating many ideas of his own and the rest of them (the reporters) simply copied from the first one. No other explanation could possibly account for the identically wrong statements so often seen in their reports."

THE EDITOR of the *China Critic* was exactly correct in his assumption that all of the reports appearing in the foreign newspapers came from the same source and that the reporters for the various newspapers (who were not present at the meeting when the speeches were delivered) simply made up their "stories" from one report and that an inaccurate one which had been supplied from some source outside of the newspaper offices. Of course the editor of the *China Critic*, being a Chinese, could not be expected to know the source of this report, for that is, or at least has been a state secret in foreign newspaper circles in Shanghai for many years. However, we see no reason why it should continue to be a secret: The original report of the addresses by Chinese officials at the Provisional Court was prepared by the Police Department of the Shanghai Municipal Council which always sends its Chinese detectives or "spies" to every Chinese meeting held in the Shanghai district. These Chinese detectives in the employ of the Police Department then make out reports in English which are supplied to the foreign press, but always with instructions to the reporters to vary the text so that the source of the "news" cannot be discovered. Then in addition to this the Police Department employs a staff of translators who make daily translations of articles appearing in the local Chinese press and these translations are likewise supplied to the local foreign press with similar instructions as to secrecy regarding the source of the reports. We have no way of knowing who these detectives or translators are, or anything about their ability to supply accurate translations of Chinese addresses or articles from the Chinese press, but since they are employes of the Municipal Council, they naturally want to please their masters, hence often supply material with that propaganda end in view.

THESE reports on Chinese activities in the Shanghai area which are compiled by the police department of the Shanghai Municipal Council constitute the chief, if not only, source of news supply regarding Chinese affairs that appear in the local foreign press. And to make matters still worse they also constitute the chief source of information regarding Chinese affairs for the various foreign consulates in Shanghai, copies being supplied daily to the various consulates. The situation naturally is a vicious one because these reports often are inaccurate and worse, are of a propaganda character, tending to mislead the public regarding the actual state of affairs. An example of this was provided last spring at the time of the Nationalist advance on Shanghai when the foreign newspapers in Shanghai kept publishing reports tending to create the impression of the impregnability of Marshal Sun Chuan-fang, the Northern militarist who controlled this area. Day after day the foreign newspapers, particularly the *North-China Daily News*, the official British organ here, published reports of Marshal Sun's "victories" and the collapse of the Nationalist advance. Two days before the actual fall of Shanghai, the foreign press in Shanghai published a report that Marshal Sun's troops were holding their own and "Shanghai was safe." Practically all of these reports originated in the so-called "intelligence" reports of the Shanghai Police Department and naturally they did a tremendous amount of damage, for many of the foreign newspaper correspondents then in Shanghai telegraphed them to their newspapers abroad. It was largely due to the publication of these reports in the local newspapers that Shanghai was first lulled into a sense of false security as to the alleged impregnability of Marshal Sun Chuan-fang and then when Sun collapsed, Shanghai immediately went to the other extreme and became the victim of a "fear-complex" which was ninety percent unjustified. The action of the British Government in sending twice as many troops to China as were actually needed for the protection of their interests, was due largely to the exaggerated reports which were wired to England from Shanghai and Peiping in the spring of 1927.

THE fault for this situation rests primarily with the foreign newspapers in Shanghai, none of which have ever developed a Chinese news department. There isn't a single foreign newspaper in Shanghai which employs a staff of Chinese reporters or translators, and yet they pretend to publish accurate reports of happenings in the Chinese community. All of these newspapers depend for their information upon the so called "police reports," otherwise the reports supplied by the Police Department of the Shanghai Municipal Council. We have no desire to detract from the ability of the detectives who compile these reports, but obviously they are not qualified to "cover" happenings in the Chinese community from the standpoint of the skilled newspaper reporter. The recent instance at the Provisional Court illustrates the dangers involved in this situation. The local Police Department does not like the Provisional Court, the reason being that judges, being appointees of the Chinese Government, are not amenable to police intimidation. Under the old Mixed Court system the police could obtain practically any kind of decision they desired because the Chinese magistrates were the

employes of the Municipal Council, and the foreign consular assessors had the last say anyway. In the reports on the recent speeches by Chinese officials at the Provisional Court the police detective only reported portions of the addresses which he considered to be "anti-foreign." Then the foreign newspapers came along and amplified the police report. The reports of the speeches which appeared in the Chinese newspapers were complete because the Chinese newspapers had reporters present who took down the proceedings. The editors of the foreign newspapers in Shanghai have a profound contempt for what they term "Chinese news" and while they devote columns and columns of space to affairs in the foreign community, such as greyhound racing and the latest moving picture films they pay little or no attention to the tremendously important happenings in the Chinese community. The result is that the foreign newspapers are always about a week late in their reports of what is going on in the Chinese community and then only print the most sensational items which they cull from the police reports. As stated in the foregoing there isn't a single newspaper in Shanghai which has a staff of Chinese reporters or translators. Contrast this with the situation in Tokyo where the *Japan Advertiser*, the American newspaper has a large staff of Japanese reporters and translators, or the situation at Manila where the *Bulletin*, another American newspaper, employs a large staff of Filipino reporters and translators. We have frequently referred in these columns of the rapidly decreasing influence of the foreign daily press in China. The cause is largely due to their profound contempt for Chinese news and their dependence upon the police reports for information regarding what is happening in the local Chinese community.

China Would Attain "Equality and Justice" Through Development of a Modern Navy!

THE CHINESE NATIONALIST Government on Thursday, August 16, launched from the Government Kiangnan Dock and Engineering Works at Shanghai, a new gunboat the "Sien-ning" the English translation of the Chinese name carrying the meaning "universal peace," an appropriate cognomen for a war-vessel in these days of discussions pertaining to disarmament and outlawry of war. But while the name of the new gunboat denotes 'universal peace" the addresses delivered by various Nationalist officials at the launching ceremony, including General Chiang Kai-shek, Admiral Yang Shu-chwang, and Mayor Chang Ting-fan, all tended in an opposite direction for they all talked about the development of a Chinese navy that would achieve for the Chinese Republic a "position of equality and justice in the family of nations."

The "Sien-ning", a ship of some 500 tons displacement, is the first war-vessel to be launched by China for her own use since the establishment of the Republic in 1911. China has just completed six new river gun-boats of modern type for the United States Navy, to be used for patrol purposes on the Upper Yangtsze, but this is the first gun-boat which China has constructed for her own use in seventeen years. As stated in the foregoing paragraph, the occasion of the launching provided opportunity for several high officials of the Nationalist Government to explain their views on the necessity of a Chinese Navy. It also offered opportunity for the Chinese officials to explain their reactions regarding present world tendencies in respect to naval limitation. Admiral Yang Shu-chwang, commander of the Nationalist Navy in the introductory address explained that this was the first gunboat to be constructed in China for China's own use in seventeen years and that it was appropriate that the ship should be launched shortly following the coming into power of the Nationalist revolution. Continuing he said, "The Sien-ning is a small boat but China can and will construct larger ships and ultimately can develop a modern navy. We must work step by step and develop our naval power in order to acquire liberty and equality in the family of nations."

General Chiang Kai-shek, commander-in-chief of the Nationalist army, who was also present at the launching, likewise urged the immediate construction of new naval tonnage and the modernization of the present naval equipment. "China must build 60,000 tons of new war-craft within the next ten years," declared Gen. Chiang and expressed the hope that the officers and sailors would "hereafter struggle without hindrance for a large and modern navy. We must restore our naval prestige and there is no reason why China should not in time become a first rank naval power. This can be done if the nation can be aroused to our naval needs. It's our only hope for actual equality and justice."

General Chang Ting-fan, Mayor of the Municipality of Greater Shanghai also delivered a significant address on the question, of China's navy, saying, "The European War was caused by the struggle for naval supremacy and recently there has been much talk about the curtailment of fleet construction. But despite the newspaper talk, all of the leading nations are keeping up their armament. We read of constant increases in naval tonnage, which shows that sea competition is still going on. If China had a navy of reasonable strength and efficiency, foreign nations would not today be holding two of our chief seaports, Weihaiwei and Port Arthur. During the Ching Dynasty our naval funds were squandered by the Empress Dowager who used the money to gratify her vanity by constructing the Summer Palace at Peiping. As a result of this short-sightedness, China was defeated in the war with Japan and this enabled Japan to develop into a first rank power, possessing the third largest fleet in the world. Several years ago China sent a cruiser to attend the Japanese naval maneuvers and the Japanese admiral was greatly surprised. When he saw the Chinese ship he exclaimed, 'Why China has sent a ship!' Now that the Nationalists have conquered the whole country, we should make definite plans for the construction of a navy and should lay down at least 60,000 tons of new war-vessels within the coming ten years and thereby restore our naval prestige. This should be the determined hope of the Nationalist Government for it is the only way in which we can attain international respect."

These remarks on the necessity of naval development in China are of special significance in view of the action of the Fifth Plenary Session of the Kuomintang in voting to develop plans for national defense and while most of the attention was devoted to the reorganization of the army the official report of

the Conference stated, "as part of the scheme of national defense the Chinese Navy must be developed and there must also be developed an air force as well as coastal fortifications and naval stations." In reference to plans for the reorganization of the army the Conference urged the beginning of a plan of conscription; the centralization of all military academies under the jurisdiction of the Nationalist Government; and the setting aside of at least half the national expenditures for military purposes.

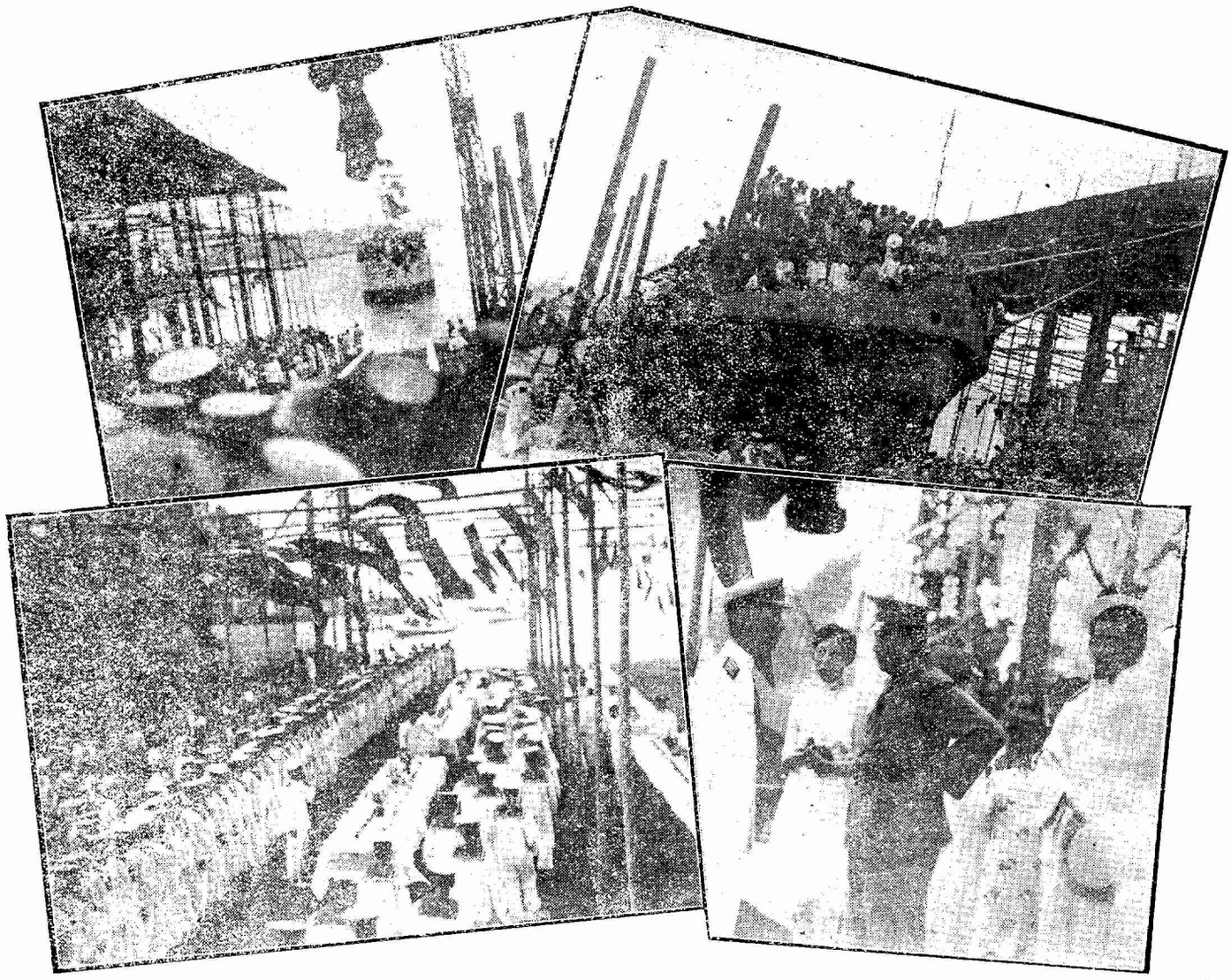
That China needs a navy, there can be no question for the country has a coastline of approximately 2,800 miles and only has some 41,000 tons of obsolete ships for defense purposes. The prevalence of piracy in the China seas is a direct result of China's lack of a navy. The maritime provinces of China, especially Shantung and Fukien, have produced excellent seamen, a fact which is attested by the ability with which the Chinese manipulate their seemingly unwieldly junks. A further proof of the ability of the Chinese upon the sea is provided in the fact that all of the British and American mercantile lines operating in Asiatic waters employ Chinese seamen and the same thing applies on the Dollar round-the-world steamers. The *China Year Book* is authority for the statement that "Occidental sailors visiting the Far East are sometimes surprised at the excellent seamanship with which the Chinese handle their apparently unwieldly junks, but a more thorough knowledge of conditions in China soon makes the Occidental sailor realize that the Chinese have nothing to learn from the Westerners in regard to the handling of their own type of craft."

Ancient Chinese history tells of glorious periods in the past when Chinese fleets won sea victories and raided the coasts of Japan and other island empires to the south even as far as Ceylon, but China's modern naval history has been a checkered one. All are familiar with the story of the Empress Dowager in the late Ching Dynasty who used an appropriation of $21,000,000 set aside for the purchase of a fleet in the construction of the Summer Palace at Peiping. The old viceroy Li Hung-chang has been held responsible for this, for he knew that the Empress Dowager would never be able to get out to the coast to see a fleet but he did know that she would see and enjoy the Summer Palace. Hence he put the money into the Summer Palace and constructed the famous marble boat in the adjacent lake where the Empress could sip tea and enjoy the beautiful surroundings. After China's defeat by Japan in 1894, China purchased five cruisers, the beginning of her modern fleet, four of these boats still being in commission, the Hai-chi, Hai-shen, Hai-chew and Hai-young. The fifth, the Hai-tien was wrecked in the Saddle Islands some years ago during a dense fog. Since that time China has purchased various ships abroad, the last two being training ships purchased in England in 1911. While China's Navy was defeated by the Japanese Navy in 1894, foreign observers of the battle attest to the excellent behavior of the Chinese personnel and the traditions of this battle are still passed down. The internal civil wars since the revolution of 1911 have naturally played havoc with the Navy due chiefly to the lack of money for regular upkeep, which has had the effect of forcing the commanders to shift for themselves and engage in enterprises often not in keeping with the dignity of a navy. An example of this was provided in Shanghai a few years ago when documents seized in an opium raid in the International Settlement proved the complicity of a section of the Chinese fleet in extensive opium smuggling enterprises along the coasts of Kiangsu and Chekiang It was shown that Chinese naval vessels had been accustomed to meeting Japanese ships carrying cargoes of contraband opium from the Persian Gulf and then bringing the opium through the Chinese customs into Chinese ports.

The record of the Chinese fleet in connection with the various civil wars in recent years likewise has not been a glorious one, many of the high officers apparently being more interested in money than in political principles. The term, "buying the fleet" has been a quite common expression in Chinese political circles, the opinion prevailing that the Chinese fleet or sections of it could be swayed anywhere by financial pressure. In the fall of 1924 when fighting broke out at Shanghai between the military governors of Kiangsu and Chekiang provinces, most of the fleet was loyal to the authorities of Chekiang Province, but when the tide of war began to go against Chekiang, the fleet flopped over without a fight. According to reports in the Chinese newspapers at the time one of the cruisers deserted Chekiang, steamed over to the Kiangsu side and dickered on surrender terms and when they were not satisfactory, the officers took their boat back to the Chekiang side. Despite the fact that the Chinese fleet has been divided in the recent revolutionary fighting between the Nationalists and Marshal Chang Tso-ling, there hasn't been a single major naval engagement and the two Chinese fleets, both Northern and Southern squadrons, have come out of the struggle intact. However, as these paragraphs are written the Chinese fleet is still divided despite the fact that all of China south of the Great Wall is flying the Nationalist flag and there are prospects that the Three Eastern Provinces or Manchuria may also join the fold shortly.

The chief problem of the Chinese fleet since the establishment of the Republic in 1911, has been lack of regular financial support from the central government which has made it necessary for the Admiral as well as the commanders of the boats to look to the various provincial officials for support. This has always placed the officers of the fleet in an embarassing position and has made the fleet unpopular with the Chinese people at the various ports, due to the fact that the Chinese merchants and their chambers of commerce have often been called upon to supply money for the payment of salaries and purchase of supplies. There was an amusing incident in this connection at Tsingtao several years ago. The American naval vessels in Chinese waters have been accustomed for many years to using the Chinese port of Chefoo on the northern side of the Shantung Peninsula as a summer training headquarters, there frequently being as many as thirty or forty American boats in this vicinity with several thousands of American sailors ashore. Five or six years ago it was rumored that the American fleet was planning to transfer its summer training headquarters from Chefoo to Tsingtao. In view of the fact that the American sailors are accustomed to spending considerable money ashore, the Chinese chamber of commerce at Tsingtao immediately circulated a petition to the American admiral inviting him to bring the fleet to Tsingtao. Tsingtao at that time was controlled by Marshal Wu Pei-fu of the Chihli Party and he had just succeeded in "buying over" the section of the Chinese fleet which was supporting Dr. Sun Yat-sen at Canton. The Canton fleet steamed northward from Canton and had reached Shanghai before it began to be rumored that it was to establish its headquarters at Tsingtao. Immediately the Chinese chamber of commerce at Tsingtao,

THE NATIONALISTS LAUNCH THEIR FIRST GUNBOAT



Ceremony at the Launching of the "Sien-ning" at the Chinese Government Kiangnan Dock and Engineering Works at Shanghai, Thursday, August 16--*Upper left*—After the "Sien-ning" had Taken the Water. *Upper Right*—When the Boat Started Down the Ways. *Lower left*—The Chinese naval Guard of Honor at the Launching. *Lower right*—Mrs. Hsiung Shih-mei, Wife of the former Garrison Commander at Shanghai, who Broke the Bottle of Champagne and Started the new Nationalist Gunboat down the Ways. The "Sien-ning" has a displacement of 418 tons and is 170 feet long with a Breadth of 24 feet and a Draught of 6 ft. It carries one 12 centimeter Gun, one 10.5 centimeter Gun, 3 7.5 centimeter Guns, 4 Three pounders, 4 Machine Guns and one Anti-aircraft Gun. The Boat cost $300,000.

which had just circulated a petition to the American Admiral inviting him to bring the American fleet to Tsingtao, circulated another petition demanding that the Chinese fleet keep away from the port. The petition, however, was of no avail for in due course the Cantonese fleet steamed into the Tsingtao harbor and when the Chinese chamber of commerce was a little slow in putting up the requested amount of money, the Admiral turned his guns on the town and threatened a bombardment. This brought the merchants to terms in short order.

Whether China is planning to obtain foreign assistance in her present plans for the development of a modern navy is not known, but it is interesting in this connection to read in Dr. Williams' "Middle Kingdom" (Scribners, 1913-1914) that China once bought a modern fleet—on approval—and after using it for a year, sent it back to England, the unfortunate enterprise costing the country about one million sterling. The deal was made by Mr. Horatio N. Lay, who was Inspector of the Chinese Maritime Customs in 1855. Mr. Lay proposed to the Chinese Government the purchase of a number of armed revenue vessels for use in the customs service and in 1861 he was sent to England to arrange for the purchase of the vessels, and the employment of British naval officers and men to operate them. Whether Mr. Lay exceeded his instructions is not known but instead of purchasing revenue vessels, he contracted for eight gunboats of different sizes, one or two of them powerful vessels able to carry two hundred and more men. The fleet arrived in China early in 1863 under the command of Capt. Sherard Osborne, R. N. It was inevitable that trouble should arise over this enterprise owing to the ignorance concerning outside affairs on the part of Peiping officialdom of that day. Prince Kung, then in charge of foreign affairs at Peiping, was totally unprepared for such a fleet and since there was no money available in the government treasury for the upkeep of the ships, they were

turned over to the provincial authorities for use against the Taipings. There was considerable trouble over the status of the foreign officers of the fleet in respect to orders issued by the Chinese so that finally after much trouble it was decided to send the ships back to England. Thus ended China's first attempt to utilize foreign assistance in the development of a fleet and since that time there has never been any attempt to employ a foreign naval board of advisers similar to plans which are now in operation in several countries of South America, and which, according to report, are working satisfactorily. China has, on occasion, however employed foreigners in the Navy Department at Peiping and has always had foreign technical advisers and engineers at the Government Kiangnan Dock and Engineering Works at Shanghai.

China has four naval dock-yards, located at Foochow, Taku (near Tientsin), Kiangnan (near Shanghai) and the Whampoa Dock at Canton. These yards have facilities for docking ships up to 600 feet. The Kiangnan Dock and Engineering Works at Shanghai, constructed during the World War four cargo boats on contract for the United States Shipping Board, which were of 10,000 tonnage. It has the most modern facilities for ship construction and repairs.

The Chinese naval vessels belonging to the so-called "Northeastern" and "Peihai" squadrons, both of which remained loyal to Marshal Chang Tso-ling and the Fengtien faction in the recent civil war and which are still holding out against unification with the Nationalist Navy are composed of the following:

Northeastern Squadron—Hai Chi, Hai Sheng, Chao He, and the Gunboats Kiang Lee, Chu Yu, Yung Hsiang, Cheng Hai, Wei Hai, Ting Hai and the Naval Transport Hwa Chia.

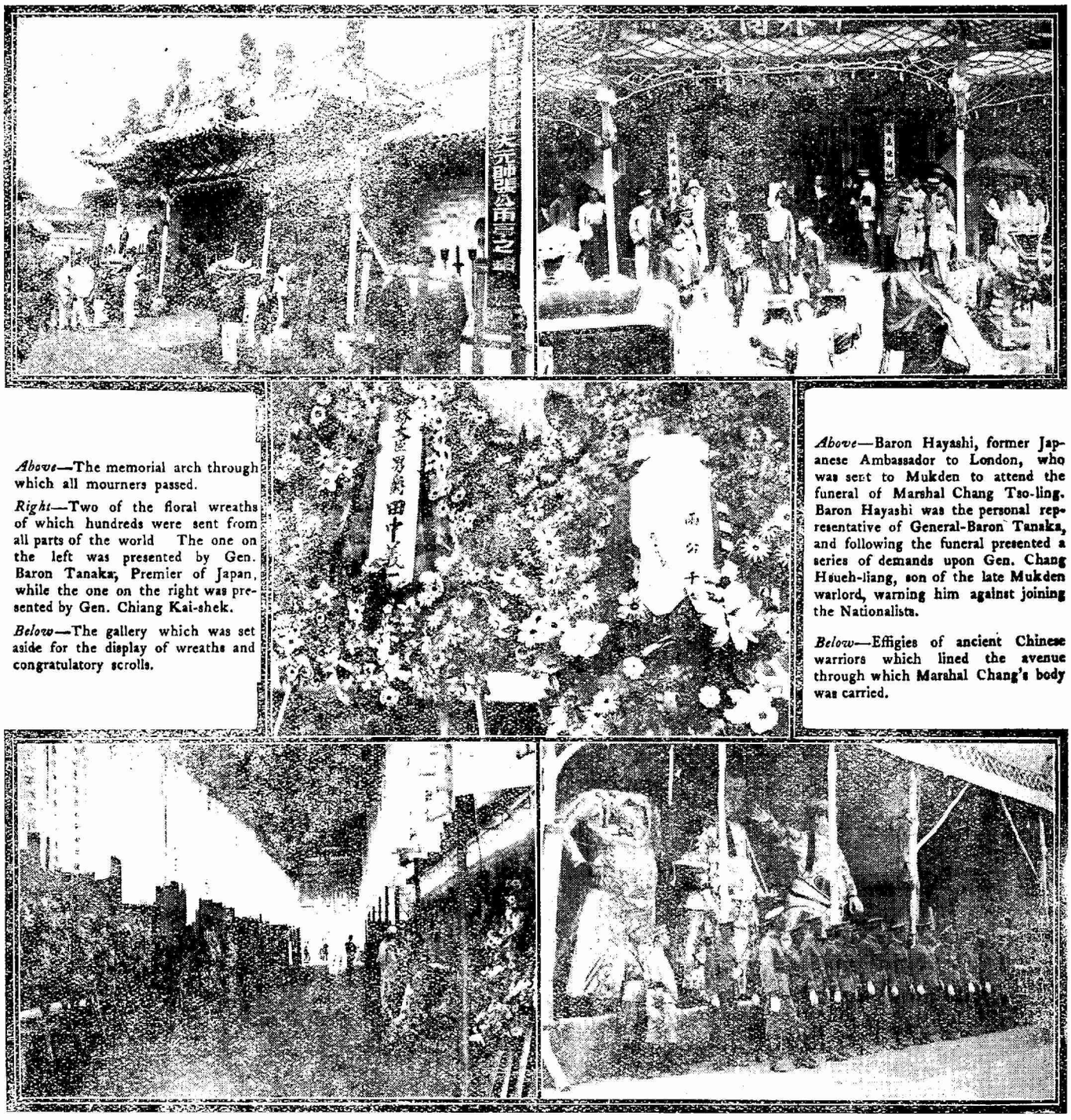
The *Pei-hai Squadron* includes the Gunboats Kiang Heng, Lee Sui, Lee Chi, Lee Chuan and Kiang Tung.

The following list includes the principal vessels in the Nationalist Fleet:

	SHANGHAI	
HAICHEW	Cruiser-2950 tons built 1898 carries	3-15 cm 8-10.5 cm
TUNGCHI	Transport-1900 tons built '1895 " (sometimes called Steel training ship) :	2-6" 4-4" 4-27 mm 2 Maxims
LITUNG	Converted transport	
YUNGCHIEN	Gunboat-860 tons built 1915 carries	1-4" 1-12 p dr. 4-3 " 2-1 "
CHUTUNG	Gunboat-740 tons built 1907 carries	2-12 cm 2-75 mm 2-25 mm 2-6.5 mm
CHUYU	" " " " " "	(same ")
YUNGAN	" 930 " " 1913 "	1-8.7 cm 4 Maxims
KIENKONG	Destroyer-390 tons " " "	2-12 pdrs 4- 3, "
KIENAN (Chienan)	Gunboat-871 tons built 1904 "	1-10 cm 3-6.5 cm 6-37 mm
KIENWEI	" " " " " "	(same ")
KIENCHUNG (Chienchung)	" -99 tons built 1916 " (River)	1-8.7 cm 4 Maxims
KANCHUN	Gunboat-250 tons built 1909 "	4-1 pdrs 2-12 mm
HUNGAO	" -96 tons built 1907 "	2-2½ pdrs
HUCHUNG	" " " " " "	"
WEISUNG		
YISUNG	Small gunboats for river duty mounting Maxims and quickfirers.	
WUSUNG		
SUISUNG		
CHEN	Small torpedo boat similar to HUNGAO	
	TUNGCHOW, KIANGSU	
HAIYUNG	Cruiser-2950 tons built 1898 carries	4-4"
		2-6 pdrs
		4-1"
YINGJUI	Cruiser-2460 tons built 1901 carries	2-6"
		4-4"
		2- 14pdrs
	(Training ship)	6- 3 "
		2- 1 "
TINGAN	Transport which is a converted coastwise steamer.	
YUNGCHI	Gunboat-850 tons built 1915 carries	1-4"
		4-3"
		2-1"
		1-12 pdr
YUHCANG	Destroyer-390 tons built '13 carries	2-12 pdrs
		4-3 pdrs
SU	Small gunboat-90 tons built 1895	4-1 pdrs
LIEH	-62 " " "	"
CHANG	-62 " " "	"
	HAIMEN, KAINGSU	
HAIOU	Gunboat-166 tons built 1917 carries	1-37 mm 2 Maxims
	NANKING	
FUTING (Feiying)	Gunboat-850 tons built 1896 carries	2-10 cm 6-47 mm 4-1 pdrs
HUPENG	Gunboat-96 tons built 1907 carries	2-3 pdrs
KUNGCHEN	" -99 " " 1916 "	1-87 cm
	HANKOW	
LIENCHIN	Gunboat-500 tons built 1910 carries	4-6 pdrs
CHUCHIEN	" 740 " " 1907 "	2-12 cm 2-75 mm 2-6.5 mm
CHIANGTSUNG	Converted gunboat	
	SUITI, HUPEH	
HUYING	Gunboat-96 tons built 1907 carries	4-7.9 mm
	YOCHOW, HUNAN	
CHIANGHSI	Gunboat-140 tons buil 1912 carries	1-87 cm 4-Maxims
CHIANGKUN	(same as above)	
	AMOY, FUKIEN	
FUAN	Transport-1700 tons built 1895	3-12 pdrs 3-6 "
CHUTAI	Gunboat-740 tons built 1907 carries	2-12 cm 2-75 mm 2-25 mm
WAH AN (Hwaan)	Transport	
HUNGHAI (HAIHUNG)	Gunboat-190 tons built 1918 carries	2-3.7 cm 2-7.9 mm
	MAMOI (FOOCHOW)	
CHINGAN	Transport-1015 tons built 1907 carries	1-6 pdr
CHUKUAN	Gunboat-550 tons built 1907 carries	1-12 cm 1-75 mm
CHIANGYUAN	(same as above)	4-47 mm
HAIAO	Gunboat-211 tons built 1917 carries	4-3.7cm
	SANTUAO, FUKIEN	
HAIKO	Gunboat-190 tons built 1918 carries	2-3.7 cm
	NORTH-EASTERN NAVAL SQUADRON	
HAICHI	Cruiser-4300 tons built 1897 carries	2-8" 10-4.7 12-3 pdr
HAICHENG	Cruiser-2950 tons built 1900 carries	3-15 cm 8-10.5 cm 2-6 pdr
KIANGLI	Gunboat-550 tons built 1907 carries	1-12 cm 1-75 mm 4-47 mm
YUNG-HSIANG	Gunboat-780 tons built 1913 carries	1-10 cm 1-7.5 cm 4-3 pdr
CHENGHAI WEIHAI TINGHAI HWACHIA	Transports, mainly converted from merchant ships. Quick firers and 3 pdrs only armament.	
	PEIHAI NAVAL SQUADRON	
CHIANG-CHENG	Gunboat-550 tons built 1907 carries	1-12 cm 1-75 mm 4-47 mm
LEESUI	Gunboat-170 tons built 1903 carries	1-4 " 1-3 "
LEECHI	Gunboat-266 tons built 1909 carries	2-6 pdr
LEECHUAN	" " " " " "	"
CHIANG-TUNG	" " " " " "	"

NOTE:—In addition to the foregoing there are several unclassified ships used as transports or gunboats but whose condition or armament would preclude any active employment.

THE FUNERAL OF MARSHAL CHANG TSO-LING AT MUKDEN



Above—The memorial arch through which all mourners passed.

Right—Two of the floral wreaths of which hundreds were sent from all parts of the world The one on the left was presented by Gen. Baron Tanaka, Premier of Japan, while the one on the right was presented by Gen. Chiang Kai-shek.

Below—The gallery which was set aside for the display of wreaths and congratulatory scrolls.

Above—Baron Hayashi, former Japanese Ambassador to London, who was sent to Mukden to attend the funeral of Marshal Chang Tso-ling. Baron Hayashi was the personal representative of General-Baron Tanaka, and following the funeral presented a series of demands upon Gen. Chang Hsueh-liang, son of the late Mukden warlord, warning him against joining the Nationalists.

Below—Effigies of ancient Chinese warriors which lined the avenue through which Marshal Chang's body was carried.

The funeral of the late Marshal Chang Tso-ling, who lost his life as the result of the train on which he was travelling from Peiping on his return to Mukden, having been bombed just as it was passing under the South Manchuria railway viaduct near the latter town, during the early hours of June 4, was held at Mukden, August 4 to 7, at his Office, within the Walled City.

On the first day of the funeral Chinese merchants and industrialists along the line of the Chinese Eastern railway generally observed the day as a holiday out of respect for the late Marshal. The funeral ceremonies were most elaborate. In the sheds lining the approaches to the Office 48 Buddhist and Lama priests recited incantations to the accompaniment of drum-beats and the striking of bells. Near the main entrance were placed paper figures of warriors and "devil quellers." In the court-yard in front of the porch, officials wearing white peony badges, acted as a reception committee. Army officers and soldiers were drawn up on both sides to the second gate. The altar containing the remains of the late Marshal glittered with gold and brocade and was decorated with flowers. Premier Tanaka's tribute took the form of a wreath carved in silver, about three feet in diameter. There was a profusion of cut and artificial flowers. The memorial address was read by General Yang Yu-ting. Consular representatives of the United States, Great Britain, Japan, Germany, France and Italy were in attendance.

The grand funeral cortege formed on the afternoon of the third day. Before the procession started, Chang Hsueh-liang together with his brothers and sisters and the widow of the late Marshal, took a touching farewell of the cenotaph, which represented the soul of the dead man. A military band played and troops escorted the cortege. About 200 high Officers and Civil Officials, among them General Wu Kuang-hsin and ex-Premier Pan Fu preceded the cenotaph and the portrait of the Marshal, while a battalion of his bodyguards followed. The procession was almost two miles long and the participants carried upwards of 20,000 mourning banners, 6,000 mourning flags and 200 paper figures. The final ceremony was held at the Buddhist Temple outside the South Gate. The coffin and cenotaph are to be kept at the Buddhist Temple for at least a year. Meanwhile a mausoleum is to be erected, probably at Peiling, the resting place of one of the first Manchu rulers.

U. S. Press Approves Kellogg Note And Treaty

The following comment from American papers show that Secretary Kellogg's Note and the Treaty with China have received the full support of the American people.

Recognize China Now and Make Friends of 400,000,000 People

(Signed Editorial by William Randolph Hearst in New York American, July 24)

AMERICAN recognition of the Chinese Government should not wait on China's concessions to the selfish interests of imperialistic European nations.

The main purpose of the Chinese revolution was to secure an independent China and to free China from foreign domination and from unjust and unjustifiable acquisitions by foreign nations of territory and privileges within the domain of China.

We cannot expect China to give up the chief object of her long struggle for independence merely to secure American recognition; and it is a surprising thing that the United States should ask China to sacrifice the fruits of her successful struggle.

It is as if France had asked us at the time of our revolution to give up the essentials of the independence we had won from Great Britain before France would recognize us.

If France had taken that unwise attitude our American boys would certainly not have appeared on the battlefields in the late war shouting, "Lafayette, we are here."

China is a powerful nation. Her people are strong, competent, reliable. They are the friends of our country and our people.

There may be a time when complications with Japan and all the other envious nations which hate us may make China's friendship valuable.

We are a self-reliant people, but the time may come when we would be pleased, if only for the satisfaction of it, to hear four hundred million Chinese voices singing, "Uncle Sam, we are here."

We have needlessly, stupidly offended our former sincere friend, Russia.

Let us not offend China, the other great power of Asia, needlessly.

Let us, rather, with a generous gesture, make four hundred million friends.

Give China her recognition quickly, sympathetically, heartily.

It is only one hundred and fifty years since we were winning our own independence.

We should not so soon forget the experiences and sentiments of that inspiring period.

It is "the shot that was heard around the world" which is now echoing in China.

Let us not repudiate our own principles and purposes to our own discredit and disadvantage.

Furthermore, let us not scorch our own fingers by attempting to pull the chestnuts of European nations out of the fire.

A Fine Act at the Right Time

(New York World, July 27)

We congratulate Secretary Kellogg and the Administration on the note which the State Department has sent to China. It is an admirable note, from whatever point of view it is considered. It is admirably clear and unequivocal, standing on no if's, when's and provided's but definitely declaring the readiness of the American Government "at once" to begin the negotiation of new treaties. It is admirably thorough, holding out no reluctant promise to permit China to raise her tariffs on our goods by a niggardly 1 per cent. or 2 per cent., but whole-heartedly expressing our faith in China's sovereign right to enjoy complete tariff autonomy. It is admirably friendly, with the satisfaction it expresses in the advance made by the Chinese people toward "unity, peace and progress," and its reaffirmation that "the good-will of the United States toward China is proverbial."

This note which the State Department has sent to China will immeasurably advance our prestige in the East, steady the hands of the moderates in China and encourage the young Nationalist Government. It is a splendid job which could not have been better done.

A Hand Held Out to China.

(New York Times, July 29)

Secretary Kellogg's note expressing his readiness to enter into negotiations with the Chinese Nationalist Government for the revision of the existing treaty of commerce between the United States and China is a logical step in America's China policy. Tantamount to full recognition of the Nationalist Government, it is in accordance with America's traditional friendship for China. This has been manifested by a desire not to interfere in the internal quarrels of the Chinese, and yet at the same time to see the unity of the Chinese nation preserved. The Nationalists now control all of China except Manchuria, and are in negotiation for a peaceful partnership in that region. It is natural to deal with the Nationalists as the *de facto* Government and to resume the negotiations which were interrupted when the civil war became acute two years ago.

The hope expressed by the Secretary of State that a new order is at last rising in China is tempered by a note of caution. Many difficulties still beset the new Chinese Government, and much must be done before China is so revitalized as to make it possible for her to extend protection to the lives and property of foreigners. There is no suggestion from Washington that America is ready at once to give up the right of extraterritoriality, or to make such sweeping concessions as some of the friends of China have long urged. But the mere fact that the United States is prepared to resume relations and to discuss the revision of one of the treaties cannot but be of help to the Nationalist cause.

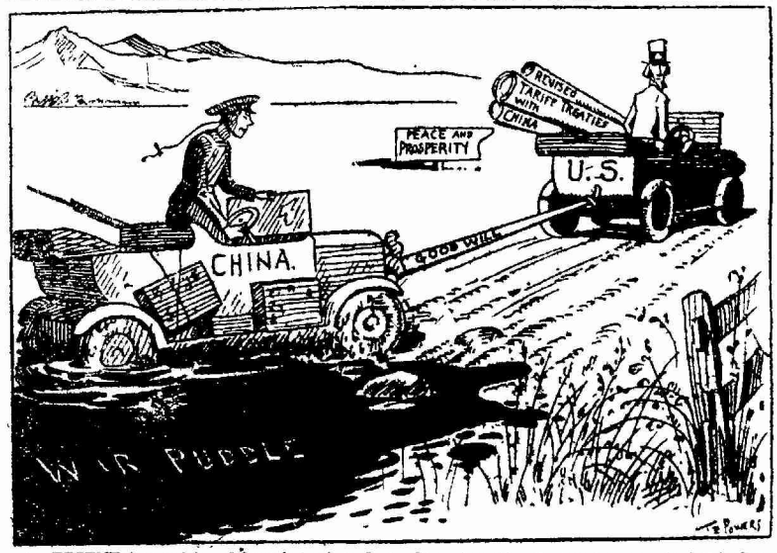
America's example will doubtless be followed by other nations. Long experience with the precarious nature of Chinese Governments makes it probable that the European Powers will move slowly. With such important issues at stake, little is to be gained by precipitate action. A token of friendship has been offered to the Chinese. On them now rests the responsibility of meeting it in kind. The Nationalists have the opportunity of demonstrating by their acts as well as their words that they are prepared and able to carry out their part of such new agreements as may be made. Nothing would so greatly strengthen the Nationalists' prestige abroad as proof that they are masters in their own household.

Our Chinese Policy

(New York Evening Post, July 26)

It is in keeping with America's traditional friendship for China that simultaneous steps have been taken at Washington

A Helping Hand



A FRIEND in need is a friend indeed, and what's more, he is REMEMBERED.

China is a great nation of patient, hard-working, kindly people in deepest trouble.

China struggles now, as this country struggled successfully more than 150 years ago to establish a government by the people, A REPUBLIC

The sincerely honest Republican element in Chinese statesmanship now controls China's national government. And this Government should RECOGNIZE the new Chinese republic.

China has always been friendly to the United States, and the United States on occasions has shown sincere friendship for China, as when we refused to take the money awarded to us after the Boxer Rebellion, while European nations took their share of it greedily.

We are rich, prosperous, powerful, and should gladly show friendship to the big nation across the Pacific that has shown friendship for us. —N.Y. AMERICAN.

for the dispatch of a note to the Nanking Government and for the withdrawal of 1,350 marines from Tientsin. The two moves will be interpreted in that spirit by China and, as an indication of our confidence in their administration, should serve to strengthen the hands of the Nationalists during a critical period.

Our traditional policy toward China has not been so invariably cordial as is generally supposed. There are few privileges enjoyed by other Powers which we have not demanded for ourselves. We have usually succeeded in throwing the onus of obtaining such privileges upon the British and then reminded the Chinese that we were entitled to most-favored-nation treatment. But at the same time our policy has been marked with conciliatary gestures which have never failed to better our position among the Chinese.

The withdrawal of some of our marines and a note to Nanking fall in the category of such gestures. They also show our independence of the Powers. Whatever the policy of Great Britain or Japan, we declare our sympathy for the Nanking Government.

This will be particularly relished by the Nationalists because of the friction which has developed with Japan and the dangerous situation which threatens to arise in Manchuria. Nanking has acted hastily in abrogating its treaty with Tokyo signed in 1896. Japan has most certainly acted ill-advisedly if it warned the Manchurian Governor-General to reject the peace overtures of the Nationalist leaders. Both the Chinese and Japanese Governments may well feel affronted, and only a policy of mutual conciliation can iron out the differences between the two countries. However necessary treaty revision may be from both the Chinese and foreign viewpoint, it cannot come over night; whatever clash of interests there may be in Manchuria, a peaceful solution is to the advantage of all concerned.

It is easy to give a sinister interpretation to every move Japan makes in Manchuria, yet there is no denying the critical importance of the present situation. No policy could be more shortsighted than for Japan to attempt to sponsor an independent Government in Manchuria. It could not endure permanently and would be successful only in building up the always latent anti-Japanese feeling in China.

China Is Our Friend; Let's Prove It

New York American, July 26

The country will thoroughly approve the action of the Navy Department in ordering the withdrawal of fifteen hundred officers and men of the Marine Corps from China.

The country will just as thoroughly approve two further steps:

1. A recognition of the Nationalist Government by the Government of the United States.

2. Leadership by the United States in agreement to revise the iniquitous treaties imposed upon China, so that the Chinese Government can levy import duties high enough to supply it with the revenue to keep alive.

China is our friend. Friendship requires that we do something more than take our soldiers off her soil.

Chinese Coolies Assist in Subduing Japanese Mutineers

After a thorough investigation of the affair in the small port of Amgu near Vladivostok, Soviet authorities recently issued an official statement on the case. First reports stated that the Japanese crew of the *Toshin Maru* had been attacked by a mixed mob of Russians and Chinese, 10 of them murdered and 35 carried away into a nearby forest.

According to the Soviet report, the *Toshin Maru* arrived at Amgu to load lumber for Osaka. During the voyage to that port, there had been intermittent quarrels between the Japanese stokers and the Chinese coolies and crew aboard. While riding at anchor in Amgu on the night of July 28, 15 Japanese stokers broke into the room occupied by the Chinese while they were asleep. The attackers were armed with knives and pistols.

The Chinese defended themselves to good effect but the officers of the ship proving powerless to quell the disturbance the frontier guards of the port went to the vessel to put an end to the bloodshed. They found that the captain of the ship had been tied up and thrown into the hold by the mutinous stokers, and that the Chinese were gaining the upper hand, having tied up a number of the Japanese aggressors.

Part of the guard sent out to the ship had been disarmed and the representative of the Soviet Timber Trust "Dalles" wounded before the combined efforts of the shore party and the 88 Chinese aboard succeeded in getting the mutineers under control.

The captain was then released from the confinement of the hold, and at his own request the Japanese rioters taken ashore under arrest. The news of the battle reaching Vladivostok, the special steamer *Eritan* was despatched to the scene by the authorities to make a report.

Sino-American Treaty as Viewed by Soviets

(Translated from "Izvestia," Moscow, August 1)

ON July 25, in the midst of a exasperated struggle around the annulment by China of its commercial treaty with Japan, the American Minister in Peiping sent to the Nanking Government a note from the State Department of the U. S. A. in which it was proposed immediately to begin separate negotiations with a view to revise the tariff agreement on the basis of giving China tariff autonomy. On the basis of this note the same day a new tariff agreement was signed by which all previous tariff acts were annuled and the principle of tariff autonomy and the principle of favored nation was proclaimed. The note and the agreement received much attention in China and elsewhere. In some circles it was even proclaimed that a new era in the relations between China and the Powers had begun and in others the events were called the biggest bluff and political twaddle.

It must be remembered that there is nothing new or nothing of importance in the American documents. The question of tariff autonomy is only one of the many elements which make the regime created by unequal treaties so unbearable and intolerable to the Chinese. There is not a word in the note or in the treaty about any of the other questions connected with this regime; nothing about extraterritoriality, by which American citizens are exempted from the Chinese laws and Chinese administrative authorities; nothing about the right to keep in China American garrisons and American warships; nothing about other privileges enjoyed by America in connection with the existence in Peiping of the shameful diplomatic quarters. So, with exception of the tariff autonomy everything remains as it was.

America as a Favored Nation

It happens that in the domain of tariff questions all Powers and the U. S. A. in particular have given China very serious promises long before the July treaty and note. Already in 1925 at the tariff convention in Peiping due to the pressure of Chinese demands, which were supported at the time by the powerful revolutionary and popular movements, the Powers have accepted the very well known resolution granting China tariff autonomy from January 1, 1929, and the right to proclaim its own national tariff. It is true that some circles have tried after the tariff conference to have it appear as a conditional promise and that China must first abolish its internal tariff (likin). But the fact that the Powers have in principle agreed to grant China tariff autonomy cannot be denied. This fact was officially announced in a circular note of the Peiping Government on January 13 last year addressed to all Washington Powers and was not officially disputed by any of them.

The present American agreement confirms that which was agreed upon three years ago. More than that, the American agreement almost textually repeats the declarations of the same Mr. Kellogg made January 27, 1927, when he declared that the U. S. Government was ready at any time to begin negotiations about granting China tariff autonomy provided America will maintain the favored-nation clause.

The agreement of July 25 does not indicate any change of policy on the part of the U. S. A. towards China and does not give China any new concessions. From the practical point of view the agreement cannot pretend to be of importance because the point about favored-nation clause makes it impossible to have any direct results from this agreement. As long as any country maintains its right to tax its goods on the basis of low tariffs this will apply to the U. S. A. also. In the same way as long as foreigners are free from Chinese taxes the same will apply to American citizens. Before any changes will be made China must overpower the opposition of all the powers—13 so-called contracting powers.

In order to pass by this side of the question we must remember that the situation created by the July 25 agreement is in full confirmity with the traditional role which America plays in the general system of the relationship of China with the imperialist world.

America Enjoyed Same Privileges as Other Nations

America wishes it to appear that, contrary to France, England and Japan, they never were at war with China, forgetting that they have taken part in suppressing the Boxer rebellion and some minor interventions of later days such as the bombardment of Nanking in 1927. America proudly declares that it has never been after special privileges in China and does not have any concession on China's soil. All this, however, did not stop the U.S.A. from enjoying from the first day of the regime of the unequal treaties all the privileges and special rights which were by force of arms taken away from China

Beginning with the "Opium" war, America quietly, but with a liberal gesture, has taken advantage of all the fruits of

all the acts of oppression and exploitation of China and was always on the alert in order not to miss any of the new fruits. Such was America's "line" in the period of general aggression of foreign capital in China and such it is in this period when foreign capital is on the defensive. American capital is trying to maintain for itself forever the principle of the most favored nation, letting the other more tenacious nations see to it that this point should not lose its real force.

The same appraisement was given already—in the first days of glory—by some of the Chinese press. In a very mild way some of the Chinese papers protest because the treaty does not contain such important points as extra-territoriality and the press at the same time begins to realize the real meaning of the most-favored nation clause.

But in our appraisement we must not forget the whole ground and atmosphere which surrounded the signing of the treaty and the specific importance which it accepts because of that. This ground we must consider from two points; international and internal politics.

The note and the treaty were made public in the moment of crisis in the relations between China and Japan. The note does not mention Manchuria but it welcomes the unity of China and by this it is emphasised that in the Manchurian question America takes a position which is directly contrary to the position of Japan. On the other hand although the treaty does not give China anything new, it is however a moral and formal concession to the Chinese demands for revision of treaties against which Japan, and not only Japan, is waging such a bitter fight. So in the realm of the present day situation it is not only the breaking of the united front of the Powers against Chinese demands for revision of treaties but is also a moral support to some extent to these demands. It is at the same time considered as a recognition of the Nanking government which will of course strengthen the position of the Nanking Government towards the rest of the world. It is no wonder that the ruling Nanking circles, its press and Chinese financial and industrial circles, upon which the government is relying, are ready to proclaim the treaty without any consideration for its real contents. In the present crisis the American action has really brought changes of importances in the international political situation in the Far East.

Aimed at Japan

The edge of this American move has been directed unquestionably against Japan. American departure is not only an answer to the moves which Japan is taking at the present time in connection with its fight to maintain the present treaty, it is an answer at the same time to Shantung events and to the whole Japanese recent activities in the North of China and Manchuria. As we have stated previously the Shantung and Manchurian questions sharpened by the Japanese policy lately, are compound parts of the whole Pacific problem in which America is still vitally interested. The correlation of power in the Pacific ocean is still unfavorable to the Japanese expansion. As in 1921-22 the insistence of Japan in the Shantung question has brought about the Washington conference and everything emanating from it, so the present policy of the Tanaka cabinet should have brought eventually a corresponding reaction from the United States. In this respect the American departure would be postponed till after the elections. But events have shown that the Republican administration is anxious to write down this departure to its own action thus strengthening its chances in the forthcoming elections.

The American departure however, touches not only Japan but other nations as well—France, Italy, and first of all Great Britain, all of which are on the verge of fighting for maintenence of their treaties with China. The last months are characterised by sharpening of political and other rivalry between America and England in China. The agreement about the Nanking incident was considered as a stroke by America to Britains interests. The new agreement not only strengthens China's position in the question of unequal treaties in which England is most of all interested but the agreement at the same time isolates Britishers in China and deprives Britain from its role of director of imperialists, front. It is quite understandible that in British circles the agreement has been met with as much irritation as in Japanese circles.

But it would be a mistake to think that the immoderate rejoicing in the Chinese official circles and press is due only to this external political importance of the question. In the ruling circles of present day China the question of external policy is only a canvas upon which a struggle between inter-political groups is going on. The group which is at the present time in Nanking consists of people who insistently for a long time tried to adopt a Japanese orientation, contrary to British orientation of their immediate competitors. The policy of the present Japanese cabinet has made it impossible to continue Japanese orientation and all hopes were transferred to America. The agreement about Nanking was met very critically by those who wanted British orientation or who still had any illusions left about Japan. The new agreement with America concluded in such a critical moment for Nanking is a direct victory of the Nanking group upon their rivals and hidden enemies from other southern groups.

U. S. Comment on China-Japanese Dispute

Triangle in the East

(From the New York World, July 26)

A shrewd and able student of affairs in China, Thomas F. Millard, reports to the *Herald Tribune* from Shanghai that "it is impossible longer to doubt that the gravest situation in Sino-Japanese relations since the presentation of the famous twenty-one demands has arisen," and adds that it will inevitably raise a formidable question of policy for the United States. It is not necessary to go this far in order to admit that a situation of far-reaching importance is developing in the East, and that the United States has an interest in it.

There are three fundamental facts on which this situation hinges:

First, a new Nationalist Government has come into power in all sections of China except the northern Province of Manchuria and the distant Province of Mongolia. This government is a moderate government. It wishes the old system of one-sided treaties abolisheed and a new system of equitable treaties substituted; but it is apparently determined to accomplish this result, if it can be accomplished, by the orderly processes of diplomacy.

Second, there are two conflicting opinions in Japan as to what policy should be followed in these circumstances. There is one opinion, based on the long-time view, that it is in Japan's own interest to win the friendship of China by helping to put that nation on its feet. This is the point of view of a large part of the press and of many members of the Diet. In contrast with this point of view there is the theory that Japan can profit most by helping to block the emergence of China as a modern power as long as possible, and by making the most of China's weakness in the mean time. This is the point of view of the military.

Finally, there is the United States, whose foreign policy for thirty years it has been to oppose special privileges in China. For at least a third of that time the United States has favored a new treaty status which would establish China as a genuinely sovereign, nation, coequal under international law with all other nations.

These are the three fundamental factors in this particular situation; and except for the fact that the Nationalist Government has extended its authority as far north as Peiping there is nothing essentially new about them. What is new is simply that the consolidation of China by the Nationalists has sharpened the edge of the difference between the policy of the United States and the policy of Japan in so far as the latter represents the point of view of the military.

To the United States the fact that all China south of the Great Wall has been brought at least technically under unified command is welcome news; and the announcement that 1,500 American marines are to be withdrawn from Tientsin and the simultaneous announcement that a new note "dealing with the treaty situation" has been despatched to China by the State Department are generally interpreted in Washington as foreshadowing recognition of the Nationalist Government by the United States.

To the military party in Japan, however, this same news of the unification of China south of the Great Wall is not welcome news at all, for the developments it reports may threaten special privileges of Japan in this part of China and even foreshadow an attempt by the Chinese Nationalists to push their authority north of the Great Wall, into Manchuria, where twenty million Chinese live but where Japan claims a "special sphere of influence." At the same moment when the United States is presumably offering to negotiate new treaties with China the Japanese Government is demanding the renewal of an old treaty of 1896 specifically affirming the right of extraterritoriality. At the same moment when the United States is plainly gratified by China's progress toward unity the Japanese Government is reported by the *Associated Press* to have warned the local Government of Manchuria not to throw in its lot with Nationalists—a direct move toward splitting Manchuria off from the rest of China.

There is no doubt that the policy of the United States and the policy of the present government in Japan are fundamentally in disagreement. This fact, however, certainly does not involve us in a quarrel with the people of Japan. For, in the first place, if we do not see eye to eye with the present government, at least our point of view is rather substantially shared by a large part of the Japanese press and by the political parties which followed a "friendship policy" toward China until they lost control of the government in April of last year.

(Continued on page 430)

Further Treaties Only Await China Stabilization—Hornbeck

The following, reprinted from the "United States Daily," Washington, D. C. consists of a portion of a recent address before the American Academy of Political and Social Science by Dr. Stanley K. Hornbeck, Chief of the Far Eastern Division of the Department of State.

Despite the desire of the United States that the special conference called for by the Washington Treaty relating to the Chinese Customs Tariff should be convened at an early date, three years went by before the last of the powers signatory to the Washington treaties deposited its ratification of the treaty concerning the Chinese Customs Tariff. Then the Chinese Government asked for the assembling of that Conference. On September 4, 1925, the powers sent identic notes to the Chinese Government.

In its participation in this note, the American Government said: " * * * The United States is now prepared to consider the Chinese Government's proposal for the modification of existing treaties in measure as the Chinese authorities demonstrate their willingness and ability to fulfill their obligations and to assume the protection of foreign rights and interests now safeguarded by the exceptional provisions of those treaties."

Policy Had Been Stated By Secretary Kellogg

Two days earlier (September 2, 1926) Secretary Kellogg had stated in a speech in Detroit the principles of the China policy of the American Government, as follows,

"In brief, that policy may be said to be to respect the sovereignty and territorial integrity of China, to encourage the development of an effective stable government, to maintain the open door or equal opportunity for the trade of nationals of all countries, to carry out scrupulously the obligations and promises made to China at the Washington Conference, and to require China to perform the obligations of a sovereign state in the protection of foreign citizens and their property."

The American delegates went to Peking with full powers to negotiate a new treaty, that should recognize China's full tariff autonomy. At Peking they did their utmost to carry out the spirit of its liberal instructions. Early in the conference the American delegation proposed that China should be authorized to collect the specified surtaxes at once and announced that the United States was prepared to proceed immediately with the negotiations of a treaty that should provide for the abolition of likin and give China tariff autonomy; and it persisted in the hope that an agreement would be reached until, in July, 1926, the Nationalist Government at Canton served notice that it would recognize no engagement which might be entered into by the Peking Government.

During the same period, the Commission on Extraterritoriality, also provided for the Washington Conference agreements, pursued its investigation of the laws and administration of justice in China. The American member of the Commission took a leading part, as chairman, in drawing up suggestions and recommendations as to steps which should be taken both by China and by the powers toward producing conditions which would warrant the powers in giving up their rights in this connection.

In the spring of 1926 the Chinese Government that was a party to the negotiations and the investigation went out of existence. Since then no authority has appeared able to speak for the Chinese nation as a whole. Yet the American Government has stood ready to continue the process of treaty readjustment whenever such an authority appears, or even to negotiate with a body of Chinese delegates, if they represent the nation. An official announcement to that effect was made by the Secretary of State on January 27, 1927.

In that statement of the American Government's position, Secretary Kellogg said: "The United States is * * * prepared to enter into negotiations with any government of China or delegates who can represent or speak for China * * * the Government of the United States * * * is ready * * * to continue the negotiations on the entire subject of the tariff and extraterritoriality or to take up negotiations on behalf of the United States alone."

Sympathy Is Expressed With Nationalist Aims

With regard to the general attitude of the Government, Secretary Kellogg said:

"The Government of the United States has watched with sympathetic interest the nationalistic awakening of China and welcomes every advance made by the Chinese people toward reorganizing their system of Government.

"During the difficult years since the establishment of the new regime in 1912, the Government of the United States has endeavored in every way to maintain an attitude of the most careful and strict neutrality as among the several factions . . . The Government of the United States expects . . . that the people of China and their leaders will recognize the right of American citizens in China to protection for life and property during the period of conflict . . . In the event that the Chinese authorities are unable to afford such protection, it is of course the fundamental duty of the United States to protect the lives and property of its citizens . . . This Government wishes to deal with China in a most liberal spirit . . . It desires, however, that its citizens be given equal opportunity with the citizens of the other powers to reside in China and to pursue their legitimate occupations without special privileges, monopolies or spheres of special interest or influence."

Such was the statement of the American Government's views in January, 1927. Such would be a statement of its views today.

Six months before that statement was made, the Nationalist armed forces had started northward from Canton. At that moment, they were advancing upon and threatening to seize Shanghai. In February, 1927, Secretary Kellogg proposed "that the International Settlement at Shanghai be excluded from the area of armed conflict," and declared that, "The American Government will be ready for its part to become a party to friendly and orderly negotiations properly instituted regarding the future status of the Settlement."

As it became evident that there existed in China no government authority which could guarantee to foreigners in certain areas either protection in situ or safe-conduct to places of security in China or to points of departure from China, various foreign governments, the American Government among them, dispatched to Chinese ports armed forces for the protection of their nationals. Several governments asked or ordered their citizens to come out from points in the interior. The American Government has no means of compelling American citizens to come out, but it has done everything possible to persuade them to withdraw from perilous neighborhoods and it has provided them in many cases with transportation facilities.

The Secretary of State declared that, "American diplomatic and military representatives in China are cooperating fully with other foreign representatives when faced with a joint problem such as protection of the lives and property of their nationals." The President stated that our troops would cooperate with other foreign troops for the specifically limited purpose of protecting American lives when cooperation would promote that end; but that there should be no "Unified command."

Attack on Foreigners At Nanking Frustrated

On March 24, at Nanking while northern troops were evacuating and Nationalist troops occupying the city, attacks on foreigners and foreign property were made by soldiers identified as belonging to the Nationalist army. Six foreigners were killed, several were wounded and many were abused. Foreign consulates were looted. Forty-eight foreigners assembled in the "Socony" Compound were attacked. When the premises were about to be rushed, the American consul asked by signal that the gunboats in the river fire. American and British gunboats laid with mathematical precision a barrage which dispersed the attackers and covered the escape of the besieged party over the city wall. The patience of the Consul all that day, his resolution at 4 o'clock, and the prompt response of the gunboats appear to have been all that saved this party—men, women, and children—from death.

The Legations of Great Britain, the United States, Japan, France, and Italy promptly presented to the Nationalist authorities demands for protection of foreigners, for apologies, and for reparations. These demands not having been fully complied with, the contention was advanced in some quarters that the time had arrived for a joint demonstration of a forceful character. The American Government declined to adopt that view, and the demonstration was not made.

During the year which has followed, the problem of safeguarding the lives and interests of their nationals has occasioned the major foreign governments great solicitude. The difficulties have arisen mainly from the passing of control in China from the civilian authorities into the hands of numerable military leaders. The latter, engaged in desperate warlike struggles, have levied on foreign commerce all manner of regional taxes without regard to regularity or the capacity of the trade to bear them. Means of communication have been

commandeered, merchandise and real property have been seized, and peaceful foreign nationals engaged in lawful pursuits, commercial, educational and religious, have been placed in peril or been forced to flee from their homes and places of business. Banditry has been prevalent over large areas.

It has been encouraging to note that in all this is has not appeared that the Chinese people themselves desire to sever their relations with the people of foreign countries. China's total foreign trade has not fallen off materially. In many cases, educational and religious projects established by foreigners have been carried on by Chinese staffs, in the enforced absence of the foreigners concerned therein.

With all these facts in mind, the American Government has refrained from the use of harsh measures for the strict enforcement of treaty rights. It has hoped, and it still hopes, that the manifest advantages to the Chinese of the activities of American citizens in China will lead to the restoration of conditions more favorable to their presence than are those which now prevail.

Armed Forces Used to Protect Americans

Nevertheless, while thus scrupulously respecting the right of the Chinese to settle their own internal disputes and shape their own political future, the United States has in some localities utilized its armed forces for the protection of American lives and interests. This it has done only when peaceful measures have been exhausted and when not to have done so would have been to encourage selfish and lawless forces and to disregard its duty toward American citizens abroad.

American officials in China have been tireless in their efforts to apprise their fellow nationals there of dangers that have threatened them and to assist them, whether at their places of residence or in transit to places of safety. Injuries and losses to Americans from the state of disorder in China have been considerable, but they have been mitigated by every means at the disposal of the American Government and consistent with the policy of the United States. Lists of property perforce abandoned or lost have been compiled and, when warranted, restitution or suitable compensation has been and will be demanded. Arbitrary and unjust taxation has been protested against and when possible alleviated.

Back in the year 1924 when during the hostilities between Wu Pei-fu and Chang Tso-lin in the province of Chihli it became necessary for the foreign garrisons to arrange for special defense of their nationals at Tientsin, each garrison was assigned a section of the line of defense. To the American garrison was assigned the section on the right bank of the river, containing what had previously been the German concession. Belligerent troops were excluded from the area embraced within the defense lines. In this area were some 25 Chinese villages which were thus incidentally afforded protection.

At the close of hostilities in January, 1925, the Chinese in these villages wished to show their appreciation of this protection by giving the American commanding officer a present. When they found that he was not allowed, on account of his position, to accept presents, they erected in the barracks compound a white marble gateway, known as a "pai fang". On this gateway, they recorded in the marble—in Chinese characters and in English—the tale of the terror and suffering which the war had brought to the Chinese in the unprotected areas and the peace and prosperity which the bravery and kindness of Uncle Sam's troops had brought to their villages. This inscription was signed by the head men of all of the various villages within the lines, and on the top of the gateway they carved in large characters: "In Memory of the Golden Deeds of Officers and Men of the United States Army Forces in China."

Powerful groups of nationals of some of the Powers, from time to time and with varying degrees of insistence, have advocated joint, forceful intervention. Some have appeared inclined to favor reversion to the theory and practice of spheres of interest. Other groups have advanced the contention that their governments should show favor to a particular group, party, "government," or movement in China.

Generally speaking, those who advocate giving encouragement to one faction or another are at the same time the strongest opponents of any form of intervention. Yet any manner of taking sides, in a material way, must be to some extent interference; and interference smacks of, though it is not identical with, what is technically known as "intervention." If encouragement means giving material aid, if it means supplying money or munitions or officers or leaders, to a faction—it at once suggests a departure from the principle of abstaining from interference in China's domestic affairs. Russia has given an example of that kind of "encouragement."

American Policy Based On "Open-Door" Doctrine

The "open-door" doctrine, in its two phases, equality of opportunity and the integrity of the State in regard to which it is applied, is the corner stone of American foreign policy, In American relations with China, it is fair to say that it rests upon and expresses fixed principles. At the Washington Conference the American Delegation took the lead in effecting the conclusion of treaties and agreements giving these principles definition and precison. A departure from these principles would involve not alone a breaking away from the traditional policy of the United States, not alone a disregard to legal and moral obligations in connection with the Washington agreements, but the setting of an example which might result in a return to methods of unrestricted competition in relations with China such as were employed in the years between 1894 and 1899 and which had as one of their consequences the Boxer Movement.

It therefore cannot be expected that the American Government will look with favor upon measures which may tend to favor or to facilitate a breaking up of China into several separate political entities, each actually or potentially a "sphere of interest."

The United States is unquestionably committed by tradition, by precedent, and by declaration to certain definite principles of China policy; assurance of equality of opportunity; respect for China's sovereignty and territorial integrity; non-interference in China's domestic affairs. The United States is also committed, partly by tradition and precedent, but more particularly by the provisions and spirit of the Washington agreements, to the principle of cooperative action.

But what about "cooperation?" Cooperative action is one of the most desirable things and one of the most difficult to achieve in the field of human endeavor. It is difficult enough as between two nations. Where a dozen are involved the difficulty is multiplied manyfold.

To make the principles of cooperation effective, there must either be express commitment as to specified courses of action, or provision that the will of the majority shall prevail, or an understanding that in the absence of specifications and of the majority rule each party shall be free to participate in or to abstain from action proposed. The Washington treaties committed the Powers—and in reference to some matters, China—to cooperation in relation to certain specified matters; they committed them to the not doing of certain things. Separate treaties between China and various of the Powers individually commit the parties to the doing and not doing of certain things.

But is there anywhere a provision which prescribes a course of action to be taken in case China fails to live up to her treaty pledges? Are the Powers anywhere pledged jointly to employ force? The United States, for one, has never entered into such an agreement.

The theory of the cooperative policy does not require that in whatever direction one or more powers may wish to proceed the others must go; and the express commitments with regard to cooperation are commitments individually and collectively to refrain from aggression, not commitments collectively to proceed in measures of coercion. Any one of the States committed to the cooperative policy may, without violation either of the letter or of the spirit of the cooperative policy, advise against a proposed positive program and decline to participate in its execution. In fact, in case some States proceed with such a program in spite of objection and refusal on the part of the others, is it not those who act, rather than those who decline to act, who forsake the cooperative principle?

Referring again to the Washington Treaties, it should be noted that in one of them, the Treaty Relating to Principles and Policies Concerning China, the Powers agreed (in Article I [I]). "To respect the sovereignty, the independence, and the territorial and administrative integrity of China" and (in Article VII) "that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present Treaty, and renders desirable discussion of such application, there shall be full and frank communication between the Contracting Powers concerned."

The cooperative policy has both advantages and disadvantages. So also has the policy of independent action. In connection with either or both it needs to be kept in mind that when one or more countries assert and exercise the right of independent action, they thereby accord to others the right to act independently.

The theory of the Washington Treaties is cooperation. The American Government cooperated with the others at the Tariff Conference, in the work of the Extraterritoriality Commission, in representations to both of the contending Chinese factions in North China in 1926. American forces have cooperated with others in police measures in China. The American Government cooperated in the presentation of demands—advanced in identic notes—to Nationalist authorities in connection with the Nanking Incident, but it declined to participate in proposed measures of a coercive character conceived with a view to following up those demands.

The principle of cooperative action applies properly where there has been or can be achieved a unanimity of opinion with regard to a proposed action wherein common rights and interests are involved.

Each Problem Presents Series of Questions

In relation to any particular situation or problem which requires action, there comes a series of questions. What, in the presence of existing conditions and circumstances, would the American Government have a legal right to do in China? What is the extent of its lawful obligation to citizens of the United States in regard to (a) protection of life, (b) protection of property, (c) enforcement of rights accorded under treaty provisions in general? How many, and where, are the persons to be protected? How much, where, and of what value is the property which is threatened? Of what sort and of what value are the general treaty rights for which enforcement is sought? What do the people of the United States want the Government to do? What is it possible for it to do? What is it advisable to do? What shall it do?

The Department of State pays much attention to the question of legal rights and lawful obligations. It is not opportunist in its action. In deciding what it may not do, the Administration must turn both to national law and to international law. The United States has commitments—to China and to other Powers. And so has China commitments—to the United States and to the other Powers. In these days, when the importance of law rather than war as a regulator of international relations is being emphasized, it is highly desirable that the American people should remember and grasp the fact that in the constitutional law of the United States treaty provisions are a part of the law of the land. Also that ours is a government of laws rather than of men or of opinions.

The Government does not have an altogether free hand in relation to such question as, for instance, that of affording protection. Treaties provide for rights of persons as well as of states. Is it not, then, a duty, an obligation of the government, to protect its citizens in the enjoyment of these lawful rights?

There is not unanimity of opinion—it goes without saying—among Americans either in the United States, or in China or elsewhere, with regard to what the Government ought to do. Among Americans resident in China at least three sets of interests, three points of view, and three schools of thought are readily distinguishable. The merchant class is concerned about markets; the missionary class is concerned about propagation of ideas; the official class is concerned about persons and property in relation to laws and principles.

But not all of the merchants hold the same views regarding policy; not all of the missionaries have the same outlook, or advocate the same courtesy, either for the society under which they work or for the Government to which they owe allegiance; and not all of the officials have the same views with regard to what is expedient or what is advisable. The interests, the views and the objectives of the importer and the exporter differ considerably from those of the banker and the railway builder.

The perspective and the views of the missionary who sits in a comfortable office in the security of Shanghai, and those of the missionary who resides, by virtue of a special treaty provision and the Grace of Providence, in a remote village in the interior, travelling year in and year out among vocational and avocational bandits, often are quite different. Even among the diplomatic and consular officials there is by no means always identity of view, though within this class there is as a rule less diversity and less particularity of view than within the other classes.

In considering what it may or may not do, what it will or will not do with regard to one country, an Administration must necessarily consider not alone relations with that country but also relations with other countries. The American Government is responsible for considering and safeguarding the interests of all Americans, not only all Americans in China but all Americans everywhere; its concern is for the safety and interests of the whole American people.

Information From Many Quarters

The Government is well informed with regard to the number and location of American citizens and the value and location of American property in China, and with regard to American investment, trade, and other interests involved. Concerning what the people of the United States want, it must form its own conclusions. This it does on the basis of such evidence as it possesses. There pour into it from a thousand quarters, from all over the United States, from all over China, from all over the world, reports, dispatches, petitions, resolutions, letters, telegrams and memoranda expressive of opinions, hopes, desires, and demands.

In only one particular, so far as is discernible, has the present administration deviated from the course prescribed by the traditions, the precedents and the practices to which, in reference to China, it has fallen heir from preceding administrations. For almost 150 years the American people and the American Government have proceeded on the assumption that in China there was a government capable of performing the ordinarily accepted functions of a sovereign authority. Now, and for the time being, the American Government has apparently, of necessity, given up that assumption—as have the other foreign Governments.

This dropping of an assumption can reasonably be condemned or justified only by reference to the facts which are discoverable in the situation in China. There are several contending authorities in China. Whatever some observers may have urged that the American Government should do, the simple fact is that it has maintained and may be expected to maintain an attitude of neutrality as among the contending factions.

In final analysis the Government has to make up its own mind with regard to what is lawful, what is desirable, what is possible, what is advisable—what is to be done. It is not likely that it will depart far from the established lines of American policy. Even if it should wish to, it would find it difficult to do so. The China policy of the Government always has been responsive to the attitude and wishes of the American people. Public opinion is becoming more and more an active and conclusive influence in the determining of policy and of action. Public opinion does not change rapidly.

The American people are possessed of a peculiarly sympathetic attitude toward the Chinese people, an attitude which is perhaps sometimes sentimental and perhaps somewhat patronizing, but withal genuinely benevolent. Warranted or not, the American people regard the Chinese as a nation of great potentialities, wish them well, and believe that they will be better off and the world better off if they govern themselves. The American people are opposed to any course of action which would constitute in their opinion "aggression" against the Chinese.

On March 30, 1928, the American Minister to China and the Minister for Foreign Affairs of the Nationalist Government at Nanking exchanged three sets of notes embodying terms of settlement of the "Nanking Incident," of March 24, 1927. In the first of these notes the Minister of the Nationalist Government expressed profound regret over the occurrences of March 24, 1927, attributed the blame to Communists, but accepted the responsibility therefor. He stated that his government had repeatedly issued orders for the protection of the lives and property of Americans in China and undertook that there should be no more violence against them.

He undertook to make compensation in full for the personal injuries and material damage done to Americans, and proposed that there be created a joint commission to assess the amounts of compensation due.

In reply, the American Minister accepted those terms in settlement of the questions arising out of the incident and stated that he counted on loyal fulfillment of the said terms. In the second of the notes the Minister for Foreign Affairs of the Nationalist Government referred to the firing by American naval vessels on March 24, 1927, and expressed the hope that the American Government would express regret at the action.

In reply the American Minister pointed out that the firing was a protective barrage and stated that the American Government felt that its naval vessels had no alternative to the action taken, yet it deeply deplored that circumstances over which it had no control should have necessitated the adoption of such measures for the protection of the lives of its citizens.

In the third of the notes, the Minister for Foreign Affairs of the Nationalist Government expressed the hope that a new epoch would begin in the diplomatic relations between the two countries and suggested that further steps be taken for the revision of the existing treaties and readjustment of outstanding questions on the basis of equality and mutual respect for territorial sovereignty.

In reply, the American Minister stated that, although the question of treaty revision could scarcely be considered germane to that of amends to the American Government and its nationals for the Nanking Incident, yet, he would say, referring first to the traditional friendship existing between the United States and China, that, as has been manifest alike from the course of action consistently pursued by the American Government and from the statement of policy made by the Secretary of State on January 27, 1927, the Government and the people of the United States are in full sympathy with the desire of the Chinese people to develop a sound national life of their own and to realize their aspiration for a sovereignty as far as possible unrestricted by obligations of an exceptional character.

And, he concluded, "With that in view, the American Government entertains the hope that the remedying of the conditions which necessitates the incorporation of such provisions in the earlier treaties may from time to time afford opportunities for the revision in due form and by mutual consent, of such treaty stipulation as may have become unnecessary or

(*Continued on page 426*)

Substantial Price Reduc

Sun Sun Co.

Wing On

Sin

GREAT AU

21——DA

BEGINNING

The Wing On Co., Ltd.

(Incorporated in Hongkong)

45-528

tions in all Departments

cere

Sun Sun

Sun Sun Co.

TUMN SALE

YS——21

AUGUST 21

The Sincere Co., Ltd.

(Incorporated in Hongkong)

45-529

Taxes In The Interior of China.

BY C. B. RAPE

We hear a great deal about the high cost of living and the burdens of taxes in America, but we wonder what these people would think if they had to live in the interior of China.

In the Tzechow district of Szechuen, China, land taxes have been collected to the year 1942. This can be duplicated in many other places. Unfortunately this province has just had a shake up in its military forces, and the people have no assurances whatever but that the new military leaders will not collect another ten years' tax next year. Worst of all the people derive no benefits from taxes paid. They go simply to help maintain the thousands of troops who produce nothing at all but still must be fed and clothed. In the region around Changshoo between Wanhsien and Chungking so burdensome have become the taxes collected from landowners that scores of families are moving out and simply abandoning their land. For the first time in fifty years of missionary history Christian churches, schools and hospitals were asked in 1928 to pay land taxes.

There are many special land assessments besides the regular land taxes. Less than a year ago in the city of Chungking a forced loan amounting to six per cent of the value of lands and buildings was extorted from the people. To be sure a bond covering the loan and bearing interest at five per cent and redeemable in five years was given, but no one ever expects to be able to collect on these. When a certain American firm objected to this forced loan a military guard was placed at the entrance to its office and no one was allowed to enter or leave the premises. There was nothing to do but pay the money under protest.

Another unusual form of taxation is the forceable collection of rents. At one time in Chungking rents were collected eighteen months in advance and the money pocketed by the military. The land lords and the tenants had to divide the losses.

The Tax Burden

A heavy burden on the property owners during the last year in Szechuen has been the expense of road-building. In the rural districts this takes the form of a land tax. In the cities where the streets are narrow and dark, property owners have had to tear down the fronts of their residences and shops and move back from four to eight feet. Not only have they had to do this at their own expense but pay for the paving of the new street as well. This has hit some of the foreign business firms and missions especially hard. One shipping firm which had erected a new building two years ago was forced to tear down the front of a new brick building and move back eight feet. In the same manner a large church had to tear down the front of the building including a tall tower and move back several feet. Wider streets and smooth paving are most welcome, but coming all at once and necessitating such sacrifice of property it becomes a real burden.

In July 1927 a special customs surtax of two and one half per cent went into effect. Besides this, however, merchants were forced to pay General Yang Sen a tax of fifty cents per case on all goods passing through the port of Wanhsien. Export duties were higher still and finally became so exorbitant that during the present month the merchants of Chungking finally rebelled and for two weeks now have refused to export any goods. We congratulate them on this stand and sincerely hope that their just demands may meet with success.

Recently one of the missions wanted to send six small cases of drugs worth about $1,000 to its hospital in Chengtu. So urgent was the need for these drugs that it was decided to send them overland from Chungking. Four men started off with the cases early one morning. Within an hour they were back saying that they were not allowed to go out of the city gate as the export duties had not been paid. This was something new. A trusted worker was sent off at once and the duty paid and a receipt received. The men were started off again, and great was the surprise when they again returned in about an hour saying that duties must be paid at five other widely separated offices in that great city of 800,000 before the goods could leave the city. It took three full days' work before these numerous duties were finally paid at a cost of about fifty dollars. Of course it is ridiculous to have so many different tax bureaus, but so suspicious are they of each other, that it is impossible to combine them into one for the convenience of the shippers.

Revenue Taxes

All business transactions of every description, except ordinary letters, must pay a revenue tax. Deposit money in a bank and a tax is charged and a revenue stamp affixed to your deposit receipt. The same is true of telegrams, bills of lading and similar papers. The various charges for transfer of land, registration, stamping of deeds, etc., now amount to about fifteen per cent of the value of the property.

Then there are many sudden and unexpected demands upon the people. During June when General Yang Sen's troops were within twenty miles of Chungking and came nearly capturing the city General Liu Shiang needed funds for military purposes. He wanted one million taels (about $700,000 in U. S. currency). He simply divided this amount among the merchants of the city and assessed each what he thought they could pay. This caused many wealthy men to leave the city. Such assessments may come several times a year; they often spell hardship and ruin for many families. A young man, an acquaintance of the writer, graduated from senior middle school in June and had just completed plans to enter a downriver college in the fall. Then suddenly came General Liu's demand for a million taels. So heavy was the assessment of this particular family that they were forced out of business and the young man had to give up his plans for securing a college education.

The last straw came to the people of Chungking within the month when thousands of troops were concentrated in the city preparatory to the beginning of another civil war. These took up their quarters in homes or places of business to suit themselves, though foreign-owned places and churches and schools were free. This always carries with it free use of food supplies, bedding etc, even to the breaking up of furniture for fuel, and of course there is no compensation whatever. Truly the lot of these people is hard. They are at the mercy of a military system which is the curse of the country. This province really has three governors and each has to support a large body of troops in order to maintain his position against his rivals. There are today well over three hundred thousand troops in this one province, nearly three times as many as in the whole of the United States. They are wholly a burden on the people as they produce nothing, cause continual strife and yet must be fed and clothed. If only some way could be found to do away with military struggles three-fourths of the troubles of the people would be at an end.

Chungking, August 8, 1928.

(*Continued from page 423*)

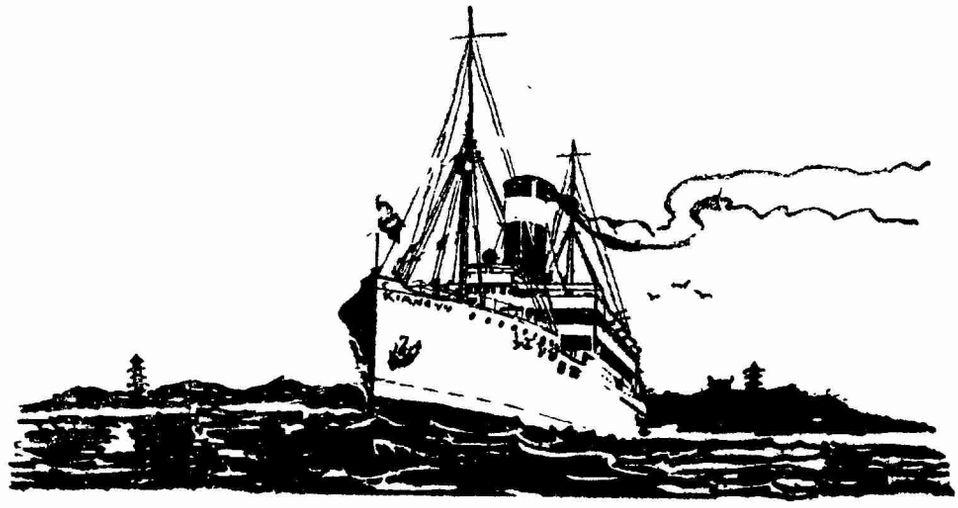
inappropriate.

"To that end, the American Government looks forward to the hope that there may be developed an administration so far representative of the Chinese people, and so far exercising real authority, as to be capable of assuring the actual fulfillment in good faith of any obligations such as China would of necessity have for its part to undertake incidentally to the desired readjustment of treaty relations."

The American Government has declared clearly the principles of its position. It has explained for what purpose it has sent armed forces to China. It has stated what it is prepared to do with regard to treaties. In the presence of an obscure and involved situation in China, where political chaos may continue for a long time, it has envisaged the fundamental of facts and taken a "long swing" view, profiting by the lessons in history. Its acts have been consistent with its statements. Both are based upon principles which have been tried out during a century and a half of American contact with China.

Having explained that the President cannot abrogate existing treaties; having declared clearly that the United States is ready to negotiate, either in conjunction with other Powers or "alone," a new treaty on the "entire subject of the tariff and extraterritoriality;" having stated that American naval forces have been sent to China only in view of the "possible necessity" of affording protection to American lives and property; having reaffirmed that the American Government seeks simply that American citizens "be given equal opportunity with the citizens of other powers to reside in China and pursue their legitimate occupations without special privileges, monopolies, or spheres of special interest or influence;" having declared that the American Government is willing to negotiate with regard to Shanghai; and having concluded with the Nanking authorities an agreement in settlement of the Nanking affair—the American Government waits hopefully and with good will for the Chinese to achieve a condition of political cohesion which will enable some voice to speak with authority to and for China.

There is every reason to expect that it will continue to pursue a course directed toward the protection of American lives and the conservation of American interests—a course considerate of Chinese rights and interests and aspirations, cooperative in so far as commitments and common responsibilities are concerned, independent where an issue is peculiar to the United States and China or to another Power and China, independent where some objective is sought by another or other Powers and not by the United States, independent where there arises a question of using force for purposes other than defense, and averse to any activity which smacks of aggression.



The Pioneer Chinese Shipping Company

China Merchants S.N. Co.'s Services

Shanghai-Hankow
S.S. Kiang-Wah
„ Kiang-Yu
„ Kiang-Hsin
„ Kiang-Teen
„ Kiang-An
„ Kiang-Shun
„ Kiang-King
„ Kiang-Tah
„ Luen-Yi

Shanghai-Dairen
S.S. Too-Nan

Shanghai-Wenchow
S.S. Ha-Ean
„ Kwang-Chi

Shanghai-Swatow
S.S. Hsin-Chong

Hankow-Ichang
S.S. Kiang-Ching
„ Kwei-Lee

Shanghai-Foochow-Newchang
S.S. Hsin-Chi
„ Kaho

Shanghai-Hongkong-Canton
S.S. Kwang-Tah
„ Kwang-Lee
„ Hsin-Wah
„ Yu-Shun
„ Hsin-Kong

Shanghai-Ningpo
S.S. Hsin-Kiang-Teen

Shanghai-Tientsin
S.S. Hsin-Ming
„ Hsin-Fong
„ Tai-Shun
„ Tung-Wah

No Definite Destination
„ Kung-Ping

OPERATING

17 Steamers on the China Coast

11 Steamers on the Yangtze River

Service Is Being Constantly Improved

Excellent Passenger Accommodation and Reliable Freight Service

Our Steamers Call at All Ports between Dairen in the North and Canton in the South.

For Information regarding Passage and Freight, please address

The China Merchants Steam Navigation Co.

9 The Bund, Shanghai.

45-531

Detailed Nationalist Trade-Mark Regulations

(Order No. 14)

TRANSLATION BY N. F. ALLMAN.

Article 1. In applying for the registration of a trade-mark the applicant shall classify the goods to which the trade-mark is appropriated, according to Article 36 of the present regulations. The application shall be accompanied by 5 facsimiles of the trade-mark and an electrotype of the same. The electrotype may be forwarded within sixty days after the application is submitted.

Article 2. If the trade-mark to be registered contains colors, the facsimiles shall show these colors.

Article 3. A specimen of the trade-mark shall be drawn on stiff paper, with a pen and ink and the size should not exceed 4 inches by the new standard of measurement (12 kung fen 8 kung li.)

Article 4. The electrotype shall be of wood, or of metal, or of a moveable type from which impressions can be taken, and should not exceed 4 ins. x 4 ins. in size, according to the new standard of measurement (12 kung fen 8 kung li), and should not be over 8/10ths of an inch thick (2 kung fen 5 kung li 6.)

Article 5. Whenever the Trade-mark Bureau considers it necessary, it may require the applicant for registration of a trade-mark to furnish further explanations, and to furnish additional facsimiles of the trade-mark.

Article 6. Whenever an applicant for registration of a trade-mark wishes to obtain the privileges of paragraphs 6 to 8 of Article 2 of the trade-mark law, he shall furnish proof of his rights thereto, and state the facts in his application.

Article 7. As respects Article 3 of the trademark law, if an applicant has used the mark prior to his application he should furnish proof of use, dates and details of the mark.

Article 8. In cases coming under Article 3 of the trade-mark law, when it is necessary for a conference of the several applicants, the trade-mark Bureau will set a convenient time limit during which the applicants must meet and report to the Bureau the results of the conference. If no conference has been held or report made within the designated time the case shall be considered as undetermined.

Article 9. If application is made to add a similar trade-mark to one already registered, to form an "associated" trade-mark, the applicant must forward his original certificate of registration. After registration is made as per the foregoing, the original certificate forwarded will be returned when the number of the additional trade-mark has been entered and the certificate stamped by the Trade-mark Bureau.

Article 10. When application is made for the registration of the assignment of the rights in a trade-mark, according to paragraph 2 of Article 7 of the Trade-mark law, the application must be endorsed by the original owner. Written evidence shall be submitted showing that the transfer of the business is according to law.

Article 11. Whenever, in accordance with paragraph 1 of Article 10 of the trade-mark law, an order is made to change the agent, the agent concerned shall be informed thereof.

Article 12. Applications for extension of the period of exclusive use in a trade-mark shall be made three months before the expiration of the existing period, and the original certificate shall accompany the application. If the application is made after the said time an additional fee shall be paid.

Article 13. Applicants for the registration of an assignment of the exclusive rights in a trade-mark must furnish written evidence of the transfer of the business to which the trade-mark relates.

Article 14. Applicants for registration of assignment of the exclusive right of use in a trade-mark by reason of succession must forward the original certificate of registration and written evidence showing legal succession.

Article 15. Whenever the exclusive right of use in a trade-mark is given up, or for some reason is assigned, the applicant and interested party must both indorse and forward with the application the original certificate of registration and documentary evidence of the assignment.

Article 16. Should the exclusive right of use in a trade-mark be assigned separately, the applicant must state clearly the classification of goods to which the assignment is appropriated.

Article 17. Whenever application is made for the assignment of an "associated trade-mark," the applicant must at the same time make application for the assignment of the other trade-marks.

Article 18. Whenever the exclusive rights in a trade-mark are abandoned on account of the suspension of the business to which it relates, the application for cancellation can be made only in the name of the registered owner. In case an owner cancels the registration of part of his trade-mark he must state definitely the goods he has ceased to manufacture.

Article 19. The prescribed forms for registration, and for other procedure should each be used for its particular purpose.

Article 20. Applications made by an agent in connection with trade-marks must be accompanied by written evidence of the agent's authorization to act. The foregoing does not apply to applications filed by the agent of a corporate body when application is made out in the latter's name.

Article 21. An application made by a foreigner in connection with a trade-mark should be accompanied with evidence of his nationality, as well as with proof that he has a genuine factory or business within China. If the applicant is a legal entity under foreign law, proof of applicant's status should be submitted.

Article 22. Documentary evidence such as powers of attorney, certificates of nationality, etc., when in a foreign language, shall be presented in translation with originals. In case of opposition, or there are interested parties, all documents relating to trade-marks shall be submitted in duplicate.

Article 23. Where matters relating to an application about a trade-mark, or procedure, are contrary to the trade-mark law, or the forms prescribed thereunder, or if the prescribed fees have not been paid, or where the facsimiles or electrotypes are not clear or are incomplete, the Trade-mark Bureau can order that proper changes and corrections be made.

Article 24. The periods fixed by the trade-mark law, or by these regulations may be altered by the Trade-mark Bureau on request or on its own motion. Whenever an application for alteration of period is made, if there is opposition or there are interested parties, unless all agree, or there are obvious reasons to the contrary, the alteration or change of period will not be allowed.

Article 25. Anyone showing cause under some impeding circumstance in accordance with Article 12 of the trade-mark law shall set out the facts in detail, the time of their arising or ceasing. At the same time the delayed or incompleted procedure shall be made up.

Article 26. Changes of name, trade-name, residence or seals, shall be reported to the Trade-mark Bureau by the applicant or his agent. The same rule applies whenever the owner of a trade-mark without permanent residence, changes his residence or business or when he alters his seals. Applications for change of name or seals shall be accompanied by the necessary evidence.

Article 27. Applications, documents and other matter concerning trade-marks shall set forth clearly the name of the trade-mark and name of applicant. If the documents refer to a trade-mark already registered the number thereof shall be given.

Article 28. Documents and other articles are deemed to have legal effect as of date they are received by the Trade-mark Bureau.

Article 29. The results of an examination, or ruling of the Trade-mark Bureau, and the documents on which based, shall be forwarded to the applicant and interested parties. If the aforesaid fail to reach their destination the Trade-mark Bureau shall publish the same in the "Gazette". Thirty days after such publication the documents, etc. shall be deemed to have been delivered. In connection with agents whose authorization has not been registered, delivery of documents, etc., will be assumed as from the date the Trade-mark Bureau posts the same.

Article 30. In forwarding documentary evidence and articles relating to trade-mark, if the applicant indicates that they are to be returned, these documents, etc., will be returned on application within sixty days after decision in the particular case.

Article 31. Duplicates of documents made by the Trade-mark Bureau shall be signed and duly authenticated as correct copies of the originals,

Article 32. The certificate of registration of a trade-mark shall be on a prescribed form, and to it shall be attached a design of the trade-mark. The certificates shall be issued under the seal of the Trade-mark Bureau.

Article 33. Whenever the certificate of the registration of a trade-mark is lost or damaged, the owner of the trade-mark may state the fact, present proof, and apply for a new certificate. On the issuance of a new certificate as stated above, it shall be announced in the "Gazette" that the old certificate is invalid. Whenever a trade-mark registration is declared invalid by the Trade-mark Bureau or the trade-mark is cancelled for any reason, the owner shall return the certificate and announcement thereof shall be made in the "Gazette".

(To be continued next week)

BANK WITH A FRIENDLY BANK

The spirit of courteous helpfulness extended to our customers has earned for us the name of being a friendly bank.

The American-Oriental Banking Corporation

"The Bank of Personal Service"

15 Nanking Road, Shanghai

45-533

(Continued from page 420)

And in the second place there is nothing in the point of view which brings us into direct contact even with the military party. We ask, and have asked ever since the first note of John Hay, for an open door in Manchuria and equal rights with all other powers of trade and of investment. But that is as far as we go, have ever gone or should go. China's problem of recovering her "lost province" of Manchuria is China's own.

The limits of our policy are clearly defined and historically established. If we cannot interfere in the Manchurian question, at least we can, and should, studiously refrain from giving our direct or indirect approval under international law to any attempt to establish Japanese hegemony in that province. And for the rest we can, and should, surrender our own share of the wholly indefensible foreign control over China's tariffs. We can, and should, sign treaties for the progressive abandonment of our own rights of extraterritoriality. We can, and should, give our moral support to the first united government which China has had in a decade and encourage its efforts to establish order and prepare the way for progress.

No nation in the world can reasonably find fault with us if we assert our friendship for China or propose to put our own treaties in decent, modern order,

A New Controversy in The East

(From the New York World, July 25)

The relations of Japan and China have taken a new turn in the controversy which has arisen over an old treaty written in 1896. This is the privilege of exploiting Chinese resources or a bit of Chinese soil over which to raise its flag. This is a treaty of commerce and is designed to advance the trade relations of both countries. In the course of its twenty-six articles, it does reaffirm the doctrine of "extraterritoriality," under which foreigners in China enjoy the privilege of being governed by their own laws and tried by their own courts. And this privilege, of course, is unilateral: that is, it is enjoyed by Japanese in China but not by Chinese in Japan. For this reason, among other reasons, the Chinese object to the treaty.

The immediate point at issue is whether the treaty has or has not expired. There is no doubt that it expired in 1926 and was renewed on that occasion. There is no doubt that it has been renewed several times subsequently, for brief periods. But a dispute exists as to the authenticity of the latest renewal, effected by the old "Northern Government" which the Nationalists have now driven out of power. There the matter stands, with this curious twist to it, characteristic of the policy of most foreign governments in China: that supposedly in the interest of advancing its trade relations with China, Japan is now attempting to force a point distasteful to the government with which it has to deal, and a point which rests upon a technicality.

Meantime it is worth noting that the report of Japan's intention to withdraw 7,000 troops from Shantung, a report widely accepted, by ourselves included, as evidence of Japan's good faith, has proved premature. Japanese troops remain in Shantung, apparently, for the same theory of bargaining power that keeps French soldiers on the Rhine.

Issues Between China and Japan

(From the New York Times, July 25)

It is not surprising that the present negotiations, between China and Japan are shrouded in obscurity. Rumors and charges of bad faith, always plentiful in the East, have been put forward by interested parties as a sort of smoke screen. Nor is there complete unanimity either among the Japanese or the Chinese as to the points at issue. Both sides are obviously doing the sort of "tall talking" which commonly precedes the settlement of any dispute. Part of this is for home consumption and part so as to be able to make concessions in order to obtain essentials.

There are at the moment three issues to be settled between the Chinese and the Japanese. The first concerns the Tsinan incident, and deals with technical questions of apologies and compensation. The second has to do with the right of the Nationalists to wage war in Manchuria. The third involves the negotiation of a new treaty to take the place of that which expired in 1926 and which regulated the rights of Japanese citizens in China. The three issues are not unconnected. To the Japanese unquestionably the most important is Manchuria. To the Chinese it is the withdrawal of the Japanese troops from Tsinan and Shantung. The revision of the treaty is of importance to other nations, as the nature and method of the changes will doubtless serve as precedents.

Japan is determined at all costs to maintain her special privileges in Manchuria—privileges, be it recalled, which for the most part rest on treaties to which China gave willing assent in the past, and the existence of which has been of help to Chinese as well as Japanese in Manchuria. This may be considered the key to Japan's present policy toward China. It does not follow that Japan intends to annex Manchuria, or to make of it an independent State. In fact, the statement attributed to the Prime Minister, General Baron Tanaka, that Japan had warned "Young" Chang, the dictator of Manchuria, that it would not tolerate the union of Manchuria with Nationalist China, does not mean anything more than a step in the negotiation with the Nationalists. That the statement has already been disavowed confirms this view.

The Chinese Nationalists are anxious, for the sake of prestige, to obtain the allegiance, if not the control, of the three Manchurian provinces. But more important in their view is it to see Japanese troops withdrawn from Shantung. So long as they remain at Tsinan they lie athwart the principal line of communications between North and South China. This is naturally distasteful to the Chinese military leaders. It is partly in the hope of bringing pressure to bear on Japan that the Chinese are taking the attitude that the treaty regulating the rights of Japanese in China is no longer in force. They think thus to embarrass, if not intimidate, the Japanese. The negotiations are therefore highly complicated and promise to be long drawn out. The situation is not without perils, but the forces favoring a peaceful and equitable agreement are strong.

The Manchurian Muddle

(The New York Times, July 29)

The fact that Manchuria has long been one of the "danger spots" of world politics lends special importance to the developments in that region during this time of internal turmoil. Events there are significant for China, and they also affect Japan and Russia, thus reacting on the relations of these two nations. For the moment Chang Hsueh-liang, the son of the famous Chang Tso-lin, is the Governor of Manchuria. But lacking the prestige of his father, and being deprived of his father's principal lieutenant, General Wu, who was killed by the same bomb that brought about the death of the elder Chang, he is already faced with disaffection among his own people. Furthermore, he has to make adjustments with the Nationalists, who, while not militarily within his territory, have succeeded in winning many adherents among the Chinese population in Manchuria. Not only must he maintain his supremacy in the northern part of Manchuria, but he must also make his peace with his father's enemies, who have succeeded in occupying all of China outside of Manchuria.

Foreign intrigue complicates the problem. Ever since the days of Russian penetration into Manchuria thirty years ago that territory has been the battleground of foreign influence. Russia prevented Japan from acquiring the region about Port Arthur after the Japanese victory over China in 1894. Two years later Russia herself acquired the same territory. In 1904 the Japanese fought the Russians about control of Manchuria, and Japan obtained concessions in the southern portion. In 1907 a secret treaty was entered into between the two nations delimiting their respective spheres of influence in Manchuria. Although this treaty is presumed to be no longer binding the Russians continue to resent and to try to check Japanese incursions within the former Russian "sphere." During the ascendency of the Russian influence with the Nationalist Government of China the Russians tried to separate the two Northern provinces of Manchuria from Mukden, where the Japanese were in possession of the South Manchurian Railway.

It would not be surprising to learn that the Russians, who are still strong in Northern Manchuria, are encouraging the local Chinese officials to withhold recognition of "Young" Chang's rule. Certainly, if the Japanese and Chinese should fail to adjust their differences about Manchuria, the Russians would have the opportunity to make new trouble in the North. This is as well known to the Japanese as to the Chinese, and is therefore one of the factors working for a harmonious agreement between China and Japan about Manchuria. Incidentally, the insistence of Mr. Matsuoka, Vice President of the South Manchuria Railway, that he was misunderstood in his explanation of Manchuria's relation to Japan as that of a "protectorate" will help to remove apprehension.

July Exports to U. S. A. from Shanghai Total only G. $2.030,401

The table of exports from Shanghai to the United States for July compiled by the U. S. Consul General shows that there was a considerable slump during the month, the total amounting to only $2,030,401. The total for the seven months of the year is $27,466,614, so that the average for the first six months was more than double that of July. Frozen "melange" a rather new item, accounted for $171,492, bringing the total for edible animal products to $324,484. Hides and furs made a very bad showing, except dog skins of which $75,090 were exported. Such old stand-bys as marmot and weasel skins were entirely absent. Neither was there any raw cotton export. Fiber hats however showed up strong with $97,061. Raw silk registered only $641,510, which is a very poor figure for this article. Tungsten ore was shipped to a value of $ 16,604 during the month, the total for seven months being $139,593. The figures above are U. S. gold dollars.

A Supplement to

Who's Who in China

(Now in Publication)

The supplement will contain the pictures and biographies of most of the new political, military professional and business leaders in China.

Price: $2.50

Those who want both the Supplement and the original Who's Who in China ($8.00) may purchase both books for $8.00.

SAVE $2.50

The China Weekly Review

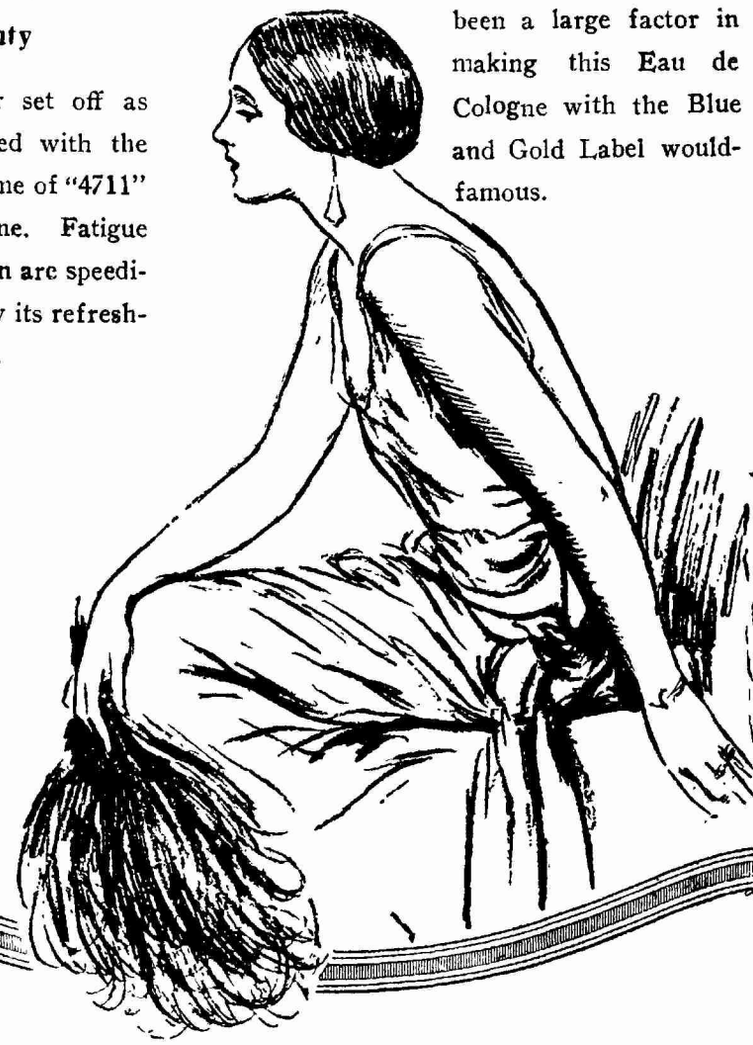
4 Avenue Edward VII, Shanghai

No. 4711. Eau de Cologne

The Charm of Presonal Beauty

is never better set off as when enveloped with the delicate perfume of "4711" Eau de Cologne. Fatigue and exhaustion are speedily banished by its refreshing properties.

The cultured woman's deep and decided preference for "4711" has been a large factor in making this Eau de Cologne with the Blue and Gold Label wouldfamous.



Established 1901

Tuck Chang & Co.

Jewellers

67 Broadway

When You Think of PAINT Think of CAMPBELL

H. B. Campbell

46 Szechuen Road, Shanghai.

45-535

Can The Nationalists Prevent Another Internal War?

BY J. B. P.

If the Nationalist Government could suddenly put into effect the various resolutions adopted at the Fifth Plenary Session of the Central Executive Committee of the Kuomintang, the world would suddenly be faced with a New China rejuvenated in every sense of the word and ready to occupy a position of complete equality with every other nation on the face of the globe, East or West. For the Central Executive Committee adopted a program of national reconstruction which included the following proposals:

1—Calling the Third National Congress of Kuomintang Delegates for Jan. 1, 1929.

2—Abolition of the branch political councils at Canton, Hankow, Peiping and Kaifeng for the purpose of strengthening the position of the Central Government.

Gen. Bei Tsung-chi, Prominent Member of the Kwangsi Faction in the Kuomintang Who Is Withdrawing His Troops from the Peiping District to Hankow.

3—The creation of five government councils, Legislative Executive, Judicial, Examinative and Supervisory and the creation of standing committees on reconstruction, planning, overseas Chinese, Mongolian and Tibetan Affairs, General Military Staff, Supervision of Military Training and Military Advisory Board, otherwise the creation of a national constitution and organization of a complete government.

4—Reorganization of the Chinese Army into a unified national military unit controlled by the Central Government and also the reorganization and development of a Chinese fleet and coastal fortfications.

5—Unification of national finance, determination of a budget, demarcation of national and provincial revenues, adjustment of taxation and execution of modern, efficient economic and financial policies.

Action Legal and Regular

The action of the Central Executive Committee, which closed its sessions on August 15 and 16, was regular and legal because there was a quorum present and all factions were represented. But the question naturally arises as to the ability of the Nationalist leaders to put their plans into effect, for foreigners who have resided in China for a considerable number of years remember that a similar program was announced to the world in January, 1912 following the establishment of the Chinese Republic at Nanking in the preceding October. Headlines which appeared in the Shanghai newspapers in January, 1912 were as follows, "President Sun Issues Proclamation Telling of Plans of Provisional Government," "Manifesto of Republic of China to All Friendly Powers," "Capital of New Republic Shows Great Activity," "President Sun and Cabinet Busy Organizing the Government," "Model Capital Planned at Nanking by Sun," "President's Idea to Create Ideal Administrative Center," "Shanghai To Be Benefitted by Capital at Nanking."

1912 and 1928

These headlines appeared in the Shanghai newspapers just sixteen years ago and undoubtedly there was hope of genuine accomplishment, but nothing material was accomplished because the republicans were shortly forced out by the military men who had served under the Manchu Empire and shortly afterwards the Kuomintang Party was outlawed by Yuan Shih-kai as an illegal organization. Shortly after the death of Yuan Shih-kai the internal squabblings between the military governors or tuchuns began and the Republic became an international joke and continued as such until the revolutionary movement of 1926-1927 and 1928 threw the old-style militarists out and brought in the Nationalist Government and a rejuvenated Kuomintang.

Is History to Repeat Itself?

Much has happened in China and in the world generally since the formation of the Republic in 1911-1912, but the disruptive elements which made the 1911 Republic inoperative are still prevalent, although in modified and changed form. The most hopeful element now is based upon the fact that while there were few men with modern educations and outlook in the Republican Government at Nanking in 1911-1912, the men with modern educations and outlook today are numbered by the scores.

But the same disruptive elements are present today; hence the question exists whether the men with modern educations and outlook are sufficiently numerous and powerful to overcome problems which were insurmountable in 1911 and 1912 and which ultimately wrecked the Republic.

Japan in 1912 and 1928

The international political situation which existed in the world in 1912 considered from the standpoint of China was not greatly different from the situation prevailing today, for one of the Shanghai newspapers during January, 1912 printed a dispatch from Tokyo which had a headline, "Japan Doesn't Want a Republic in China," "Tokyo Organs Displeased at Turn of Events in China," and so on. Evidence points to a similar amount of displeasure in Tokyo in this day of 1928 regarding the recent turn of events in China. There was also another headline in one of the Shanghai newspapers which said that "England was Pleased at Establishment of Chinese Republic," and there were several headlines telling of ominous moves of aggression on the part of Czarist Russia. The Chinese Republic was established just three years prior to the beginning of the World War, hence the Powers were juggling about for positions, a situation not greatly different from the present situation if one would believe the reports of criticism which has developed in the United States regarding the recent Anglo-French naval pact, the controversies over the Kellogg treaties to outlaw war and Japan's present activities in Shantung and Manchuria. The Japanese political leaders of that day undoubtedly sensed the international complications of the near future and were making preparations for improving their position on the continent of Asia, moves which culminated in the infamous Twenty-One Demands of 1915, the secret Shantung treaties and so on. Today Japan feels that she has another opportunity to do what she failed to do in 1914 and 1915 because the world situation is again unsettled.

The Present Outlook in China

With this background of similar domestic and international political situation, one can't help but wonder what is to be the outcome of the present situation in China. Outwardly the Fifth Plenary Session of the Kuomintang was a success, but beneath the surface as stated in the foregoing, there are elements which point to destruction just as there were in 1911t 1912. And also as stated in the foregoing, Are there a sufficien number of modern educated men with vision to overcome the present elements which make for destruction? The Kuomintang Political Party is in a badly disrupted condition being split up into radicals, conservatives, middleground men, ultra-conservatives, extreme radicals and communists and what-not- The so-called Kwangsi faction in the Party came out of th Fifth Plenary Session in a bad frame of mind, due chiefly te the fact that things went against them at the meeting. The Cono ference adopted the proposal for liquidating the branch political councils at Hankow and Canton, both of which are at present controlled by the Kwangsi faction, otherwise Generals Li Chung-jen, Bei Tsung-chi and Li Chai-sum. General Bei

GOLDEN DRAGON CIGARETTES

for descriminating smokers.

Nanyang Bros. Tobacco Co., Ltd.

上流社會之交際品

白金龍香烟

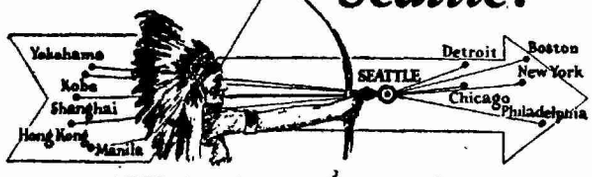
人人愛吸

處處風行

南洋兄弟烟草公司出品

no:B128.

Your American Markets are more quickly reached via Seattle!



YOU CAN reach your American markets from one day to a week quicker via Seattle than via any other route across the Pacific. This because the Seattle "Great Circle" route is from 500 to 1500 miles shorter than those to South Pacific Coast ports.

Not only does this mean a quicker approach to, and deliveries in, American markets, but it means proportionate savings in your insurance and interest charges.

Ship via Seattle and take advantage of these shipping economies and sales advantages. Ten regular transpacific steamship lines; complete harbor facilities and four transcontinental rail lines to serve you.

Write Traffic Department for full particulars.

The PORT of SEATTLE

GATEWAY TO AMERICAN MARKETS

Sports Shoes

Fast, sure foot-wear is necessary in almost every sport. That is why most champions prefer Keds.

Be sure to see that your tennis shoes are Keds.

They are sold at all shoe dealers.

United States Rubber Export Co. Ltd

Wholesale Only

24 Yuen Ming Yuen Road, Shanghai

45-538

Tsung-chi, who has had his troops at Peiping, has begun to withdraw to Hankow and there are rumors that neither Hankow nor Canton will cooperate with the Nationalist Government in the program for troop disbandment or financial centralization. Then in addition to this, certain of the older and more conservative members of the party who have been prominent in the Government such as Chang Ching-kiang and Li Shih-cheng, have also withdrawn and according to report may join, temporarily at least, the Kwangsi faction. Then there are the so-called radical Cantonese members, whose positions are quite indefinite such as Wang Ching-wei, Mrs. Liao Chung-kai, Chen Shu-jen, Pan Yung-chan, Wang Loh-ping, Kuo Meng-yu, Chen Kung-po and Kan Nai-kwan. These members first refused to attend the meeting, then changed their minds and attended and then withdrew again at the final session.

The Present Nanking Government

Up to the time of writing (Tuesday, August 21) there has been only one resignation from the Nationalist Cabinet, Dr. Tsai Yuan-pei, Chairman of the National University Council, or Minister of Education. Dr. Tsai has resigned because he has considered himself a member of the ultra-conservative faction represented by Chang Ching-kiang and Li Shih-cheng. He has also had considerable difficulty in putting into effect his educational program as outlined in the educational conference held in Nanking several months ago. Dr. Tsai thinks the time has arrived for the Chinese students to cease their political activities and go back to work. The students think otherwise and have rallied to their support the so-called Cantonese faction in the Kuomintang which believes that the day of the student as a political agitator is not yet over.

There have been rumors of other impending changes in the Cabinet, but thus far the chief Ministers such as Dr. C. T. Wang, Minister of Foreign Affairs, T. V. Soong, Minister of Finance; Dr. H. H. Kung, Minister of Commerce, Industry and Labor; Wang Peh-chun, Minister of Communications; and Hsueh Tu-pei, Minister of Interior, are still carrying on. The real power behind the present Nationalist Government, that is, from the standpoint of military strength, is that represented by Generals Chiang Kai-shek, Feng Yu-hsiang, Yen Hsi-shan and their associates and affiliates in Kiangsu, Chekiang, Anhwei, Kiangsi and Fukien. Their opponents are the Kwangsi faction which controls Kwangsi and Kwangtung provinces in South China and Hunan and Hupeh provinces in Central China. Their chief opponent outside of China is Japan but back of Japan are reactionary interests in Europe and elsewhere in the world which do not want to see China unified or modernized and who will oppose the Chinese reconstruction program in every possible way.

Judge Purdy Among Judges Whose Salaries Are Increased

According to an Act of Congress approved May 26, Milton D. Purdy, Judge of the U. S. Court for China, and other territorial judges have had their salares increased, as of June 1.

The judges whose pay has been increased, and the salaries they now receive are listed below:

The chief justice of the Supreme Court of the Territory of Hawaii, $10,500 per year, and each of the associate justices $10,000 per year.

The chief justice of the Supreme Court of the Territory of Porto Rico, $10,500 per year, and each of the associate justices the sum of $10,000 per year.

The judge of the District Court of the Virgin Islands of the United States, $7,500 per year.

The chief justice of the Supreme Court of the Philippine Islands, $10,500 per year, and to each of the associate justices the sum of $10,000 per year.

The judge of the United States Court for China, $10,000 per year.

Each of the justices of the Circuit Court for the First Circuit of the Territory of Hawaii $7,500 and each of the justices of the Circuit Courts for the Second, Third, Fourth, and Fifth Circuits of the Territory of Hawaii $7,000.

The above figures are in U.S. Currency.

Bandits Capture Father Froewis of Sinyangchow

Rev. P. George Froewis, an Australian Roman Catholic Father belonging to the Society of the Divine Word, stationed at Sinyangchow was captured by bandits August 6, since which time he has not been heard from. Rev. Froewis is seventy years of age and came into prominence two years ago in his successful efforts to have the siege of Sinyangchow raised.

Communications Conference Held at Nanking

Railway, highway, navigation, aviation, radio, telegraph and telephone matters were dealt with at the National Communications Conference held at Nanking last week, the concluding sitting being held Saturday, August 18.

Twelve resolutions were passed for the improvement of various phases of railway administration, such as the exclusive use of the Chinese language, the purchase of the Nanchang-Kiukiang railway by the government, prohibition of the free use of the railway by the military, and the appointment of a committee to devise a uniform freight tariff.

The building of a national highway approximately a thousand miles long to connect Nanking and Peiping, was provided for in one of the resolutions passed.

A dramatic feature of the third session August 16 was the debate on the recommendation of the Committee on Finance to reserve the expected refund of the British and Belgian Boxer Indemnity as an amortization fund for railway construction bonds. Many delegates opposed this plan on the ground that educational plans would suffer, but in the end the resolution was passed.

The Committee on Equipment adopted a proposal urging the Ministry of Communications to establish at Shanghai a general supplies department with branch offices at various convenient locations for the purchase of railway material. An additional proposal calls for the establishment of a railway and telegraph equipment factory and the operation of lumber mills throughout the country to meet the requirements of the various railways.

The Committee on National Railways adopted a proposal calling for absolute control by the Railway Administration of all property along the railways without interference from the local authorities.

The Status of the China Merchants S. N. Company

One of the resolutions passed calls upon the Minister of Communications to divide all "communication" loans into two classes, (a) loans actually utilized for communication construction to be taken care of by the Ministry itself, and (b), loans contracted nominally for communications purposes but misapplied by the former Peiping regime to be shouldered by the Central Government.

In reference to navigation matters, the outstanding resolution passed was one introduced by Chao Te-chiao, director general of the China Merchants Steam Navigation Co., that the Government should probibit the military authorities from borrowing or commandeering any ship belonging to private mercantile companies. As explained by Mr. Chao, "such a measure will not only mean protection to Chinese-owned but to foreign-owned boats plying in foreign waters." A resolution was passed, after considerable discussion, that the China Merchants Steam Navigation Co., was to be managed jointly by the Government and the board of directors of the company.

A resolution was passed urging the Ministry of Communications to reopen the Woosung Mercantile Navigation Institute, so as to train youths in navigation. Another resolution closes the Department of Communications Administration maintained by the University of Communications at Peiping. A resolution was passed by the Committee on Systematization of Communications Contracts calls for the nullification of the Sino-Japanese wireless agreement of 1908 and a smiliar contract signed with the Federal Radio Corporation of California, on the ground that these contracts had never received the sanction of the Parliament.

Control of Radio and Telegraphs

The outstanding resolutions adopted in connection with the Telegraph administration provide for (1) cash payment by all military and administrative organs as well as the press in using the Government telegraphic service; (2) prohibition of radio stations owned either by private individuals or institutions; (3) establishment of Government short-wave radio stations throughout China; (4) promulgation of wireless regulations; and (5) centralization of control of all radio stations in the country by the Ministry of Communications.

Upon the recommendation of the Committee on Telegraph Administration, several resolutions were passed pertaining to telephone communication in China. The resolutions require (1) that all municipal or private telephone companies be placed under the supervision of the Ministry of Communications, and be made subject to acquisition by the Government provided that adequate compensation is made; (2) that there should be a unified administration for long-distance telephones in China; (3) that the Central Government be petitioned to plan in conjunction with the local authorities for further development of the country's long-distance telephone system; (4) that the existing long-distance telephone service between Shanghai and Nanking be expanded so that more connections may be made available; (5) that a long-distance telephone service be installed between Wuchang and Changsha; and (6) that a telephone service be installed in Si-an, Provincial Capital of Shansi.

Another resolution recommended by the same committee which was also adopted at the Session, urges the Government to reduce the Press rates both by telegraph and by long-distance telephone in order to encourage the development of news service throughout the entire country.

The resolution for a reduction of the postal rates on newspapers and printed matter was passed without much discussion. According to the resolution, the reduction will be made effective on January 1, 1929.

Other resolutions recommended by the Committee on postal affairs and adopted at the Session provide for the issue of new postage stamps bearing the picture of the late Dr. Sun Yat-sen, the abolition of the private letter delivery system and the establishment of a Postal Employees Savings Department in the Postal Service of the country.

Japan's Futile Policy in Manchuria

BY DR. S. WASHIO,

in The Japan Advertiser

"Making the Three Eastern Provinces a safe territory for Chinese and foreigners alike to live in," as Baron Tanaka announced at the time of "Far Eastern Conference," is different from "the protection of the Japanese interests in Manchuria," even if it is qualified with the phrase, "to the utmost of our ability," which is the Minseito's statement. If the prospect of the Chinese unification is undependable, as the Government believes, the former policy can't be accomplished without keeping Manchuria separate from the rest of China and that can't be done without some sort of Japanese protectorate over the territory. And the feasibility of such a protectorate policy is not only highly questionable but the expenses of it are hardly commensurable with the advantage that may be derived from it. It is a thankless and profitless task and from its very nature it is not a policy that will last. Manchuria is not an isolated little kingdom like Korea. Even if it is not unified the whole of China is back of it with all her potential possibilities. All the expenses we put into it against her voluntary welcome will sooner or later turn out to be a sheer loss, with Chinese ill-will in addition. But the protection of the definable Japanese interests, like the S.M.R. the Fushun coal mine, the Kwantung leased territories, etc, is different from policing Manchuria and promoting new dubious industrial interests against the very odds of circumstance. No one, who knows how effectively a few thousand Japanese soldiers made the Shantung railway inviolable amid the biggest military stake in the history of the Chinese civil war, will doubt the Japanese ability to defend these specified interests even in the worst chaos into which Manchuria may be thrown and that at a comparatively small cost. The Seiyukai politicians might call this a "negative policy" but it is what the circumstances demand. A few politicians may profit themselves in the process of an untenable expensive policy that goes in the name of "positive diplomacy," but the nation as a whole will be the loser.

Offers to Young Chang

I am not speaking in the abstract. In the series of points which the Japanese Government made for Chang Hsueh-liang's consideration in the attempt to disuade him from the compromise with the South there is the promise that Japan will "co-operate for the economic exploitation of Three Eastern Provinces on the basis of open door policy" and for that purpose she "will not grudge financial assistance." It will be a good and profitable promise if China be unified and seek such assistance from us or if Three Eastern Provinces be automatically made an independent territory under an able ruler with a lasting prospect. But this promise is given with the full knowledge that neither the required unification is forthcoming nor is young Chang the master of Manchuria. In fact, it was given to prevent him from acting in the only way prompted by his nature and by a majority of his Chinese council. It was a promise made for the maintenance of the most precarious condition imaginable for Manchuria. As a Japanese citizen I, for one, do not want to see the resources of the country wasted in such reckless investment that will profit mainly Chinese without their thanks to us and possibly a few Japanese speculators at the expense of the state. I do not want to see any more Nishihara loans. The Nishihara loan was made

at least, with the anticipation that Tuan Chi-jui might unify China. But this promise is made in the most inauspicious circumstance and for the most inauspicious purpose. Foreign observers, who credit the Japanese Government with more wisdom, and greater ability, can't be blamed if they think that Japan is contemplating the protectorate of Manchuria, but I know Japan and the petty domestic motive of her politicians too well to think that it is either feasible or seriously intended.

If it were to Chang Tso-lin that this promise was made he might have availed himself of the chance and extorted the Japanese Government to the uttermost of his ability, to replenish his army with more men and ammunition for another venture to central China. But evidently the young Chang is less spoiled, unfortunately for the present Japanese Government but not altogether unwelcome to the Japanese public. The defeat of the Government's advice to Mukden is not an unmixed evil. The Government seems to be greatly alarmed over the rather sudden turn of the situation, which only two weeks ago made Baron Tanaka so complacent as to say that the advice was asked by Chang Hsueh-liang personally from Mr. Hayashi, the consul general at Mukden, who gave it on his own initiative. But the Government's alarm is hardly shared by the public, which seems even to feel a certain satisfaction at the development. The Minseito, in particular, is gratified to see that after all there is no other way even for this audacious Government but to follow the negative policy of defending the specific interests when they are actually threatened.

The Minseito suggested that if any precautionary measure was advisable the Nanking Government rather than Chang Hsueh-liang should have been approached. Had the Minseito handled the situation from the beginning in the spirit that marked the Shidehara diplomacy, that is with sympathy toward the South and with none of such provocative tricks as the "Far Eastern Conference," and the dispatch of troops to Shantung there might have been open a fair avenue of approach toward the South on the Manchuria question as well as on the question of the treaty revision. Even that was problematical. But if Japan had pursued that course she would have, at least, been free from the blame of obstructionist policy and her last stand for the defense of the specific interests in Manchuria would have had the dignity of appearing the absolutely uncompromisable minimum to the eyes of any observer. But the Tanaka diplomacy was acting from the beginning with the conviction that the South can not be trusted and whether its advice to Mukden was because of C. T. Wang's abrogation of the treaty or not any approach toward the South on the Manchuria question was foreclosed in fact by Wang's attitude. The Minseito's suggestion was really impracticable at the time the Government presented its advice to Mukden.

The Irreducible Minimum

Now it has proved futile. And so, through unavailing and blundering "positive diplomacy" the Government has arrived at last at the irreducible minimum, about which there is no difference of opinion as far as Japan is concerned and which is definitely within her power to protect. And I venture to say that the next development is probably China's turn to show the internal untenability of the socalled unification, which exists still only on the surface as is evident from the growing jealousy between Feng Yu-hsiang and Yen Shi-shan.

The Drive Against "Free" Thought In Japan

The following dispatch from Kobe, Japan, appeared in the Manchester Guardian on August 1.

Of the thousand men arrested last March some hundreds are still under examination, and it has been announced that their trial will take place in various cities throughout the Empire at a comparatively early date. How far they were actually engaged in a political conspiracy inspired by Soviet Russia is not at all clear, but the Government protested to Russia against the violation of its pledge regarding propaganda, and received the usual reply. The pledge may be absurd, but the Russian justification is worse. It is a repetition of the statement that the Third International is entirely separate from the Soviet Government, that members of the Third International are not debarred from holding official position, and that some official may, for all the Government knows, be a member of the Third International. In short, the Soviet Government attempts to disown the acts of its own officials. Yet nothing is said of any strain in the relations with the Embassy, and an apology was offered and accepted when some rash patriot made an explosion in the Embassy compound.

With the arrests of last March there began a campaign against all freedom of thought. When, a couple of years ago, the political societies in the middle schools and high schools throughout the country were suppressed it was declared that so far as the universities went the young men belonging to them could study whatever they pleased—so long as it was study and nothing more. But societies for study were prohibited, and in all educational establishments below university status political studies were not to be permitted. By this means it was apparently hoped to preserve intact till brains were less impressionable the mythical history taught in the primary schools.

But with the arrests of last March there began an intensive movement for ridding the universities of dangerous thought. Radical professors had mostly been driven out already, but they made a clean sweep of the rest, and the universities have all undertaken to receive no young man who, when at school or college, belonged to any circle for the study of "thought" or showed other signs of interest in the proletariat.

Death for Republicans

Along with all this there has been an important amendment of the Peace Preservation Law, whereby it has been made punishable by death to promote or to join any society the object of which is a change in the form of the State. This, of course, means that it is a capital offence to advocate republicanism. It is well over twenty years ago that Mr. Ozaki Yukio, criticising Japan's modern mammon-worship, said, "If Japan were a republic, her biggest millionaire would be president." Tremendous indignation was expressed, but we have travelled a long way on the path of suppression of speech since then, and even Mr. Ozaki would hardly make such a remark to-day. In fact no Japanese editor would dare to write such a statement as "The Japanese people have so high a sense of public duty and so strong an attachment to law and order that they would be as successful under a republican form of government as under a monarchy." The very word is taboo. The least hint is rank blasphemy. Even in the revised law the word "republic" or any such phrase as "abolition of the monarchy" is avoided.

Nevertheless, the introduction of the death penalty for all who believe in republicanism was not popular. The Government did not care to risk bringing it before the new Diet at its special session, but waited until it had adjourned, and then brought the means of an Urgent Imperial Ordinance. There was a debate in the Privy Council, but dissatisfaction which nobody dared utter openly sought relief in acid discussions as to the rights and powers of the Privy Council—which is, for no very clear reason except its conservatism, a very unpopular body.

The movement for the suppression of thought does not stop at introducing the death penalty for Fabians and other sceptics of the virtues of monarchy. It includes a large allotment, running into some millions of yen, for the creation of a new espionage organisation, which is to have branches abroad; even in London. The War Office is also budgeting for a very modest little allotment of 140,000 yen for the establishment of gendarmerie offices in every town charged with the special duty of preventing the infection of the army with dangerous thought.

No Protests

The most ominous feature of all this is that there is not a word of protest. It is put forward with the hint that it is necessary for the protection of the Sovereign, and, of course, nobody can say that the Sovereign should not be protected. In this connection it is curious to note that in a semiofficial publication in English regarding the coronation next November, the statement occurs that at the time of the coronation of the Taisho Tenno in 1915 the Emperor walked in procession from the Imperial Palace in Kyoto to the Nijo Palace, which gave many an opportunity of seeing him in his ceremonial robes, but that, though the distance was short, spectators on the forthcoming occasion must "perforce" be denied such an opportunity.

Certain it is that the young Emperor is seldom seen nowadays or even mentioned. The brief spell of democratic familiarity that followed the English visit, soon came to an end, and he is now almost as rarely seen as the monarchs of old time.

But that the new law is necessary for the protection of the Emperor is manifestly untrue. High treason is a capital offence and anybody reasonably suspected of conspiring against the Sovereign's life is, in Japan as in other monarchical countries, liable to forfeit his own life. The new law is for suppressing the discussion of even the possibility of another form of government than the one now maintained in the Emperor's name by the ruling caste. The terror is effectual. Nobody raises a voice of protest. But it cannot be supposed that if subversive thought was really a danger there is any less of it now merely because it dare not seek public utterance.

A. B. C. SALE

THREE WEEKS ONLY

ENORMOUS REDUCTIONS

In Underwear, Shirts,
Sporting Goods,
Ready-made Suits,
and Gent's Furnishing

A. B. C. UNDERWEAR CO.

Next to Nanking Road Post Office, Shanghai.

Men and Events

J. V. Murray, of the Texas Company, has returned to Shanghai from an extended business trip to the United States.

J. D. Brooks, of the U. S. Consulate General, Shanghai, is spending a holiday at Tsingtao.

H. R. Aaren passed through Shanghai during the week *enroute* to Singapore where he is employed by Getz Bros. and Co.

W. A. Reed, of the Standard Oil Co., Shanghai, proceeded to Unzen, Japan, on holiday, during the week, where he joined Mrs. Reed.

W. H. Daub, Far Eastern representative of the Quaker Oats Company, who has been in Shanghai for some time has departed for Japan.

T. V. Soong, Minister of Finance and H. H. Kung, Minister of Commerce and Industry, have retured to Nanking, following a business trip to Shanghai.

Mr. and Mrs. Louis E. Phipps were in Shanghai during the week on a round-the-world journey. Mr. Phipps is an official of Muller and Phipps, Ltd. at Manila.

Dr. George Sellett, U. S. District Attorney at Shanghai who has been in the United States for some time, will arrive in Shanghai on September 11 on the *President Grant*.

Chao Tz-chao has tendered his resignation as Chief Inspector of the Cigarette Tax Bureau in Shanghai and Yao Cha-chi, of the *Sinwanpao*, has been selected to succeed him.

H. J. Swezey, manager of Du Pont de Nemours & Co., at Hankow, passed through Shanghai during the week, with Mrs. Sweezey, back from a holiday at Tsingtao, *en route* to Hankow.

Hsu Yung-pin, a graduate of the Chinan College at Chenju is departing from Shanghai for France on August 25 to enter the University of Paris, where he will specialize in political economy.

Liu Yi has been nominated as director-general of the Lung-hai railway, Dr. C. T. Wang having tendered his resignation so as to devote all his time to the Ministry of Foreign Affairs.

Captain Robert Dollar arrived back in New York July 23 on his round-the-world trip. In an interview he said the, U. S. Government should dispose of the shipping lines which it at present operates.

According to a *Ta Chung* news agency dispatch from Canton, British attempts to annex Shunchun and Nankow, described as strategic points, have drawn strong protests from the Chinese authorities.

The National City Bank of New York has purchased a big block of real estate in the center of Hongkong's business district from the Teleephone Company at a price which works out at about $60 per square foot.

According to a dispatch from Winnipeg, A. T. Wilkinson, a missionary belonging to the United Church of Canada, who had just returned from China suffering from a nervous breakdown, fell from a train August 20, and was killed instantly.

The Chinese Citizens Patriotic League, with offices at 47 Mott street, New York City, publishes a weekly journal in English and Chinese, giving the principal events in China together with comments. Instead of using type and printing presses, this weekly is produced with the aid of the mimeograph.

Marc T. Greene, travelling correspondent for the *Christion Science Monitor* of Boston, Mass., who was recently in Shanghai, was interviewed at Honolulu by the *Star-Bulletin enroute* to the United States. Mr. Greene stated that China was looking for American sympathy, a sympathy which she had consistently received.

General Chiang Kai-shek is confined to the Country Hospital at Shanghai suffering from a severe attack of toothache which has necessitated the extraction of several infected teeth. He is being attended by Doctors Daniel G. Collins and W. K. Nance. General Li Tsung-yen, Chairman of the Hankow branch of the Central Political Council, also is an inmate of the Country Hospital. He is having his eyes treated.

There recently has been organized in Shanghai the *Kuochi* (International) News Agency, the purpose being to keep overseas Chinese informed of political and economic developments in China. The agency is financed by overseas Chinese interests and it is planned to send news messages by telegraph to Chinese newspapers published abroad and also to receive telegraphic news messages from abroad for publication in China. The office of the agency is at 160 Route Vallon, French Concession.

45-541

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service:

Peiping, August 16.—General Tang Yu-lin, Tutung of Jehol, sends representative to Peiping to negotiate with local Nationalist military leaders.

Peiping, August 16.—Labor unions being closed up as result of order from General Yen Hsi-shan.

Peiping, August 16.—General Ho Chang-chun wires to Nationalist government that various divisions of Northern troops are withdrawing to Jehol and other points, thus showing their sincerity of allegiance to Nationalist government.

Peiping, August 16.—Nationalist government's second note on the treaty question reaches Japanese Minister Yoshizawa.

Kiukiang, August 13.—Chinese steam launch Hsun Yang is pirated near Luping, about twenty miles from Kiukiang.

Tokyo, August 16.—Sixth Division and Chiba railway detachment stationed at Tsinan ordered to return to Japan and part of 18th regiment and battalion of Field Artillery ordered transferred from Tientsin to Shantung.

Tokyo, August 17.—Baron Hayashi returns from Mukden.

Peiping, August 17.—Up to date forty labor unions have been closed. General Yen Hsi-shan in a proclamation states that closing of Labor unions is necessary because of Communist intrigue.

Tokyo, August 17.—Wang Yung-pao, Chinese Minister at Tokyo, hands to Mr. Arita, Director of the Bureau of Asiatic Affairs, Nationalist Government's second memorandum on treaty question.

Tokyo, August 17.—Japanese military authorities state a reduction in Shantung forces may be made, but complete evacuation will not be carried out before the settlement of the Tsinan incident and the safety of Japanese residents in Shantung is confirmed.

Tokyo, August 18.—Viscount Kaneko will probably proceed to the United States on a mission to explain to America Japan's attitude on China policy.

Tokyo, August 18.—Premier Tanaka holds parley with leading statesmen concerning Three Eastern provinces and China treaty matter.

Harbin, August 17.—Chinese detachments along the Chinese Eastern railway are defeated in a clash with Mongolian partisans.

Chefoo, August 17.—General Chang Tsung-chang arrives at Lungkow from Chinwangtao and is expected here in day or two.

Tokyo, August 18.—Foreign office in statement on Mongolian-Chinese clash along Chinese Eastern railway states that there are signs of a growing serious situation.

Tokyo, August 18.—Japan Advertiser publishes lengthy article concerning views expressed by Japanese authorities concerning Putnam Weale's allegation that Chang Tso-ling was killed by the Japanese. The gist of the Japanese versions is that "Japan, without doubt, has nothing to do with the case."

Mukden, August 20.—Martial law, in force since Chang Tso-ling's withdrawal from Peiping, now withdrawn.

Tientsin, August 15.—Fengtien military ammunition train, while proceeding from Mukden to Shanghaikwan, explodes just north of Chingchow on Peiping-Mukden line.

Tokyo, August 20.—Japan-Persian commercial treaty to be signed shortly at Teheran.

Tokyo, August 21.—Owing to fact that public opinion in Japan is gradually turning in favor of China, Dr. C. T. Wang's representative, Wang Ta-tseng, is postponing his departurefrom Japan.

Hongkong, August 20.—As a result of boycott, prices at Canton, particularly of marine products, have risen 100 per cent., and the masses are gradually crying for cessation of Anti-Japanese boycott.

Harbin, August 20.—According to telegram from Hailar, negotiations between delegates of Young Men's party at Koronbail and Chinese representatives have ended in failure. Chinese authorities sending railway guards in the direction of Hailar.

Tsingtao, August 20.—Decision reached by military authorities to send 6th regiment together with ten engineer battalions and ten artillery battalions under Major General Hachisuga to Tsinan on August 23.

Mukden, August 20.—Fengtien authorities start dispatch of 5,000 Kirin troops to Harbin to assist Holungkiang forces, negotiations for compromise with Mongolians having failed.

Mukden, August 20.—Conference of Japanese Consuls in Manchuria convenes, Consul General Hayashi, who presides, stating that the object is to collect reports and to discuss counter-measures against Communist activities in Manchuria and to get a clear understanding of Japanese policy in Manchuria.

"American Chamber of Commerce Sends Out Japanese Propaganda"

To the Editor, *The China Weekly Review*:

I take pleasure in sending you ten copies of the *Tsinan Affair*, a pamphlet containing 62 photographs showing effects of indiscriminate bombardment of Tsinan and results of wanton murders of Chinese by Japanese troops in Shantung, as well as documents concerning Japanese military action, with English translations.

I read with interest the article in the August 18 issue of your *Weekly*, entitled "American Chamber of Commerce Sends Out Japanese Propaganda." It has been an indisputable fact that the Japanese military action in Tsinan was premeditated with the hope of crippling the Nationalist movement, and, therefore, it is unfortunate for the American Chamber of Commerce to distribute such biased and one-sided statements as contained in the pamphlet issued by the Osaka Chamber of Commerce and Industry, particularly in view of the fact that the American Government has shown an impartial attitude towards the Tsinan outrage.

C. Y. Hsu Yung.

International Relations Committee, Shanghai, August 18, 1928.

Horrors of Tsinan Affair Shown in Pamphlet

The International Relations Committee, Shanghai, has issued a well-printed pamphlet containing 62 photographs of the havoc, destruction and death caused at Tsinan when the Japanese troops indulged in indiscrminate bombardments in the early days of May, 1928. The Chinese version of the affair has been somewhat slow in appearing, but it is none the less convincing,

"Pirating" From the American Commerce Reports

A trade publication in Shanghai, known as *Capital and Trade*, contained in its August 17 issue an article entitled "Barometer of Current China Trade" which was reproduced without credit from June 25 issue of the *U. S. Commerce Reports* which is published by the United States Department of Commerce at Washington, D. C. The original report was compiled by the officials of the U. S. Trade Commissioner's office in Shanghai and while it was correct for conditions prevailing in the latter part of June, it obviously could not have been correct for conditions prevailing in the middle of August. It is reported that the officials of the U. S. Department of Commerce are contemplating some action to prevent unauthorized reproduction of its reports by publications in China, owing to the misundertandings which are thereby being created.

"Review" Editorial is Reprinted in Congressional Record

The editorial entitled, "Senator Wheeler's Inquiry Into United States Investments," published in *The Review* March 10, 1928, was reprinted in the May 26 issue of the *Congressional* Record, which is the official record of the proceedings of the U. S. Congress. The article in question spoke of giving information to the American people at home as to "just what American lives and property in China and other countries should be protected—and why."

Further Drop in Japanese Yen Exchange

There has been a further slump in the value of the yen, the gold par of which is about Gold 49.50 to 100 yen. The rate for drafts on New York has now dropped to Gold $45 per 100 yen. One of the reasons given by Japanese authorities is "the tightening of the money market in the United States," but it is obvious that the Chino-Japanese complications are largely responsible.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese) news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Wednesday, August 15—Eighteen proposals aiming at improvement of railway service, supplementary education of staff members in various branches of communication under Ministry of Communication, promotion of manufacture of railway and telegraph apparatus and the systematization of telegraph communications are adopted at committee meetings of National Communications Conference.—German Minister Van Borch arrives at Nanking and calls on Dr. C. T. Wang.

Thursday, August 16—General Yen Hsi-shan telegraphs from Taiyuan to Government and Military Councils asking for drastic punishment of culprits concerned in desecration of Manchu tombs.—General Feng Yu-hsiang decides to visit ancestral home in Anhwei before proceeding to Shanghai.—Wang King-ky succeeds Tcheng Lo, as Chinese delegate to the Council of the League of Nations, latter having resigned--Dr. Wang Chung-hui arrives at Canton from Europe.—General Chien Ta-chun, Shanghai Garrison Commander orders complete evacuation of all foreign property by military.—Long distance telephone being installed to connect eight villages constituting Paoshan, Shanghai suburban district. Association of Provincial Chambers of Commerce urges everybody to cooperate in increasing the effectiveness of the boycott against the Japanese.—Bureau of Social Affairs of Municipality of Greater Shanghai issues advice to Chinese newspapers not to print "sob" stories and sensational reports.

Friday, August 17—Government Council resumes regular meeting, General Yan Ten-kai presiding—Shanghai Civil and Military authorities issues order strictly prohibiting strikes—General Yen Hsi-shan announces appointment of General Li Pei-shi as gendarmerie commander and concurrently acting Tupan of Suiyan province.—University Council and Ministry of Foreign Affairs petition Government Council to confirm, appointment of Lo Chia-lun as president of Tsinghua College.—Martial law at Woosung rescinded.—Wang Yung-pao, Chinese Minister at Tokyo, instructed to lodge strong protest against expulsion of Chinese magistrates at Tsechuan and other cities in Shantung by Japanese troops.—Dr. C. T. Wang and German Minister Von Borch sign at Nanking a treaty, supplementary to Sino-German treaty of May 19, 1921, granting each other absolutely equal treatment in Customs and related matters and engaging to enter as soon as possible into negotiations for a treaty of commerce based on the principle of perfect parity.—Dramatic feature of third general session National Communications Conference is debate on recommendation to reserve expected refund of British and Belgian Boxer indemnity as an amortization fund for payment of principal and interest on a series of railway construction bonds to be issued by the Government for the purpose of completing the unfinished sections of Canton-Hankow and Lung-hai railways.—H. Y. Min, department chief of accounting division of Shantung railway, arrested by Japanese August 11 is learned to be due to his publishing translation from Japanese comments on San Min Chu I.—Hsueh Tuh-pei, Minister of Interior, submits memorandum to Chinese government on necessity of emigration from densely populated districts to Mongolia, Tibet and Kokonor.—Tan Yen-kai, chairman of Government Council, and T. V. Soong, Minister of Finance, in two separate dispatches urges Tan Yen-kai, Chairman of Government Council, to immediately organize a budget committee in accordance with resolution passed at 5th plenary session of Central Executive Committee.—General Feng Yu-hsiang returns to the Peiping-Hankow railway three hundred cars previously held at Chengchow. General Hsing Shih-lien heads delegation from Mukden proceeding to Nanking to submit report on crisis created by Japan and also to make detailed arrangements for adherence of Three Eastern provinces to Nationalist government.—General Li Chi-sen announces that he will shortly return to Canton from Nanking, accompanied by Chu Chao-sin, Commissioner of Foreign Affairs.—Explosion occurs in arsenal at Hsincheng, now in control of Japanese, investigation by Chinese not being permitted.—Opium Suppression Committee receives telegram from Chinese Ratepayers Association at Shanghai urging strict enforcement of anti-opium laws.

Saturday, August 18—General Yen Hsi-shan telegraphs to General Ho at Peiping that he has recovered from his recent ailment and expects to arrive in Peiping shortly to resume duties

(Continued on page 441)

The Far Eastern Bank ("Dalbank")

Established in Harbin

HEAD OFFICE: HARBIN.

BRANCHES: Shanghai, Tientsin, Kalgan, Manchuli and Hailar.

CORRESPONDENTS: In U.S.S.R.—The State Bank of U.S.S.R. (Gosbank) and others.

In London: The Bank for Russian Trade Ltd., The Equitable Trust Company of New York.

In New York: The Equitable Trust Company of New York, The Chase National Bank of the City of New York.

In Germany: Deutsche Bank.

In Austria: Oesterreichische Credit Anstalt fur Handel und Gewerbe.

In Mongolia: The Commercial and Industrial Bank of Mongolia (Mongolbank)

The Bank has correspondents also in France, Latvia, Esthonia, Poland, Lithuania, Finland, Turkey, Bulgaria, Czecho-Slovakia, Rumania and Yugoslavia.

Shanghai Branch: 29-A, Szechuen Road, S. Y. Sheng Building.

Tel. C. { 4746 Manager; 4747 Exchange Dept.; 2865 General Office.

Every description of banking business transacted

STANDARD OIL CO. OF NEW YORK

26 BROADWAY NEW YORK

SOCONY 美孚行

The Mark of Quality

Socony Products

Illuminating Oils
Gasoline and Motor Spirits
Asphaltums, Binders and Road Oils
Lubricating Oils and Greases
Fuel Oil
Paraffine Wax and Candles
Lamps, Stoves and Heaters

Branch Offices in the Principal Cities of

Japan	Philippine Islands	Turkey
China	Straits Settlements	Syria
Indo-China	Netherlands India	Bulgaria
Siam	South Africa	Greece
India	Australia	Jugoslavia

New Books of Interest in the Far East

The Forces that are at Work in the World

Survey of International Affairs, 1925, Vol. II by C. A. Macartney and others. Oxford University Press, London: Humphrey Milford.

Survey of International Affairs, 1925, Supplement, Chronology of Events and Treaties, January 1, 1920 to December 31, 1925.

Problems of the Pacific, edited by J. B. Condliffe, M. A., D. S.c. (N. Z.) The University of Chicago Press, Chicago, Illinois.

The first two of these books are issued under the auspices of the Royal Institute of International Affairs, and the third volume contains the proceedings of the Second Conference of the Institute of Pacific Relations, held in Honolulu in 1927.

The volume compiled by Mr. C. A. Macartney is divided into four parts headed as follows: World Affairs, sections on Security and Disarmament, Economic and Social Co-operation; Europe, sections on International Waterways, Western Europe, Northern Europe, North-eastern and Eastern Europe, South-eastern Europe; the Far East; the American Continent. The appendices include the Locarno Pact and Article 27 of the Mexican Constitution of 1917. There are four maps at the end of the volume.

The text regarding world and European affairs has chiefly to do with attempts made after the Locarno Conference at international co-operation as brought about by the League of Nations and its subsidiary committees and commissions. In the section entitled Economic and Social Co-operation, the longest division among eleven presented deals with the Traffic in Opium and other Dangerous Drugs. This is of especial interest to China. The author says, "The Opium Conferences were among the most difficult in the history of the League of Nations. The problem of drugs might seem at first glance simple, but in actual fact it was so many-sided, revealed so many totally unexpected angles, and reached so deeply into the habits of peoples and practice of Governments as to be almost hopelessly baffling. By the end of 1925 the League of Nations had not yet solved these difficulties, nor had it removed the world's drug evil, but nevertheless, the step taken beyond the Hague Convention was a marked advance. The controversies which arose in the course of the two Conferences appeared disheartening at the time, but these very controversies undoubtedly increased the public interest in these questions and resulted in the better understanding of them.'

A fifth of the volume is devoted to the Far East. This portion opens with the statement that "the status or internal condition of the country (China) is itself an international affair", and an outline of Chinese events from 1920 to 1925 is given as background for the additional facts presented. The Shanghai Incident of May 30, 1925, fills four pages and the account is written in an impartial manner. An account of the Aftermath of the Incident continues for seven more pages and shows the effect of these actions upon the local, national and international affairs. The 1925 Institute of Pacific Relations is reported in a sympathetic way, although some writers have had only ridicule and censure for such a gathering.

Concerning American affairs the chief topic of the last division of the book is the peculiar position of the United States in regard to the Monroe Doctrine, and the so-called American desire to hold a dominant position in Central and South American affairs. An interesting section is entitled "Relations between the United States of America, the Latin-American Republics and the League of Nations".

The whole volume is most informing and there is an evident desire to present facts impartially. It should be an excellent reference text for the student or historian seeking to glean the underlying facts and happenings of these pregnant years.

The Supplement to the 1925 Survey of International Affairs is simply a classified chronology of world events and treaties between the dates given. This is arranged alphabetically with cross references and should be of great use to any historical student or journalist seeking dates or exact knowledge in brief form.

The third volume is a chronicle of the proceedings of the Second Conference of the Institute of Pacific Relations in Honolulu. It is made up of three divisions. I—Opening statements, giving the outlook on Pacific Affairs of each of the Institute's national groups. II—Summary of Round-table discussions. III—Documents. At the end of the book we find appendices and a workable index. There are eight maps and diagrams, four of which concern Japan. In the words of the General Secretary of the Institute of Pacific Relations this material shows us "the encounter of representatives of diverse civilizations who met to confer in the middle of the Pacific in the summer of 1927 upon matters of mutual concern.. .. .. The book is the story of a democratic procedure applied to international relations".

Some one has said that the Institute of Pacific Relations was made up of persons without any power who met to discuss things over which they had no control and could use none were such desirable. It has been called futile by not a few. However, the fact remains that as a gesture of neighborliness it was unusual and full of promise for the future. Who should object if the "common people" in the guise of thinkers, scientists and social workers, get together to talk and make friendships whose bonds might even hold more lastingly than the formal legalities of statesmen?

This was the attempt of the men and women who gathered at Honolulu, and the reports of their papers, discussions and documents is of interest to more than their own group.

Some of the topics taken up are given as follows: The Viewpoint of Australia on Pacific Affairs; Canada and Pacific Relations; China and Pacific Relations during 1925-27; General Features of Pacific Relations as viewed by Japan; A New Zealand Outlook on Pacific Relations; Present-Day Problems in the Philippines; Tariff Autonomy in China; Extra-territoriality in China; Population and Food Supply; Immigration and Emigration in the Pacific; The Pacific Mandates; The Geography of the Pacific; Documents relating to the Chinese Question: Memorandum on Missions.

One noticeable phrase that persists throughout the reports, discussions and papers is that concerning the unsettled and chaotic state of China's government and affairs. This comes up again and again in regard to many questions and becomes somewhat monotonous, as re-iterated by nationals of all countries present. It recalls to our minds the wording of the British writer in the "Survey of International Affairs" quoted above, when he says of China that "the status or. internal condition of the country is itself an international affair".

In no discussion in these reports is there greater sign of change than in that concerning Missions. This pertains to China. Dr. Hume, formerly President of Yale-in-China, sounds a high note in the concluding paragraph of his contribution, "Facing the Future of the Missionary Movement". After summing up his paper in seven steps for the process of advancement he gives the following—"The foregoing statement records an attempt to think through a few of the aspects of the present situation, facing frankly the criticisms of the missionary movement, and reflecting on their significance and on certain dangers. It records a conviction that the new day needs a new philosophy for missions, as for other activities of human life. If religion is a universal human instinct its origin in the human soul is the same in the Orient as in the Occident. The Occident needs to learn the lesson that the religious horizons of the human race are not broadened by dominance and assertiveness so much as by a dedication of men as brothers to a spiritual quest. Missions reconstructed on this understanding of their task are likely to find permanent welcome from the Orient."

"The Problems of the Pacific" is an instructive volume. Its 600 pages show us what ordinary (by this we mean unofficial) people can accomplish in the way of international friendship. It opens our eyes to visions of future co-operation in place of competition; it proves that open discussion may find a place in the progress of the nations. It is not the 'last word' on the topics presented, but it touches questions needing long and deep study. The book should be in the library of every student of Pacific countries and relations.

G. B. S.

The World's Supreme Tribunal

The World Court, 1922-1928, by Manley O. Hudson. Boston: World Peace Foundation.

The author of this informative book is Bemis Professor of International Law at Harvard Law School, and a recognized authority in the field of international affairs. In the first section the work of the Court is reviewed and summarized, and in the second part America's relations to the court are presented.

Japanese Arrest Chinese at Tsingtao for Translating Article from Japanese Journal

H. Y. Min, a departmental chief of the accounting department of the Shantung railway, was arrested recently at Tsingtao by the authorities as a result of his being discovered to have been the translator of a discussion of the Three People's Principles which he had found in a Japanese journal. The men in the printing establishment where the translation was being printed were also placed under arrest The author of the original article was a Japanese and, so far as known, little notice was taken of it until Mr. Min conceived the idea of translating it.

(*Continued on page 439*)

of Garrison Commander.—Survey completed for road to connect Nanking and Chinkiang.—Racial equality and elimination of class distinctions is stressed in dispatch to Mongolian and Tibet Affairs Committee by Chang Chu.—Commander of Tientsin Gendarmerie strictly prohibits trespassing on private property or unauthorized search of arms in civilian residences.—Announcement made at Hangchow that long distance telephone construction in Chekiang province will commence October 1.—Dr. Wang Ching-hui, Minister of Justice, will shortly establish a Judicial Council—Fourth general session of National Communications Conference recommends compulsory savings and insurance for workmen and passes resolution prohibiting free use of trains by military authorities; also resolution passed to construct road from Nanking to Peiping; also further discussions on reorganization of China Merchants S. N. Co.—Government Council at 80th meeting deals with eighteen proposals relating to political matters.—Estimated expenditure of $50,000,000 for reconstruction of Nanking as the national capital, to be provided, one-fifth by the national government and balance to be apportioned among the provinces according to scheme submitted by National Reconstruction Committee.—Provincial government at Nanking adopts new accounting system for Kiangsu provincial finances.—General Labor Union at Canton petitions for rescinding of General Li's order abolishing it—Speaking before the staff of the Ministry of Industry and Commerce, on the invitation of Dr. H.H. Kung, General Feng Yu-hsiang states that he considers idea of uniting China by force impratical; advocates fair treatment of laborers as being most profitable.—Special Municipality of Greater Shanghai desires to raise a loan of a million dollars, paying interest at eight percent, proceeds to be used for completing constructive program.

Sunday and Monday, August 19 and 20.—Memorial service held at Peiping for two journalists executed by Chang Chung-chang in 1927—At fifth and concluding general session of Communications Conference held August 18, a total of 52 resolutions were introduced by the three committees on Unclassified Proposals, Telegraph Communications, and Postal Affairs, all of which were substantially adopted: establishment of Government short-wave radio stations throughout country, promulgations of wireless regulations and centralization of control of radio stations by Ministry of Communications provided for.—Changsha announces results of recent civil service examinations.—General Chiang Kai-shek suffering from toothache is admitted to Country Hospital in Shanghai.—Delegates from Inner Monoglia pass through Peiping enroute to Nanking for conference.—Mayor of Greater Shanghai makes preparation for taking of census.—Communist literature seized during raid at Changsha—Tientsin authorities suspend labor unions.—Portions of 7th and 9th armies of 4th group army ordered to return to Hankow. campaign against Chihli-Shantung forces being suspended. —Minister of Commerce Kung appoints two committees to make arrangements for manufacturers to send their products to the National Food Products Exhibition to be held October 10.—National Opium-Suppression Committee assembles at Nanking.—General Feng Yu-hsiang instructs that thirty officers be sent to Germany to study industry and agriculture. —Military Council after several meetings recently is to be reorganized in accordance with decision of recent plenary conference.

Tuesday, 21 August.—Organization of National Budget Committee considered at meeting of Law Codification Bureau — Shanghai Garrison Commander disbands 800 troops.—General Bei Tsung-chi's troops evacuating Peiping-Tientsin area and returning to Hupeh.--General Yen Hsi-shan, now at Taiyuan and recovered, expected to resume administration at Peiping shortly.—Japanese troops in South Manchuria begin mobilizing in view of disturbances between Holungkiang and Mongolian troops near Manchuli.—General Hsing, Fengtien envoy, arrives in Shanghai to confer with Chiang Kai-shek.—Advices from Tsingtao indicate that Japanese contemplate permanent occupation of province, winter barracks being constructed at Tsingtao, Tsinan, and along Shantung railway. Nanking authorities appropriate $2,000,000 for disbandment of troops.—Kansu authorities order all Party members to abstain from drinking, smoking and gambling.—Peiping gendarmerie to enforce rule that military may not interfere with railway operation.—Chang Hsueh-liang warns Chihli-Shantung leaders to await orders for reorganization, otherwise he will leave them to the Nationalist forces to be dealt with.—Government Council meeting at Nanking attended by Yu Ya-ching, Feng Shao-shan and Wang Hsiao-lai, representing Shanghai commercial bodies.—German Minister Van Borch arrives at Hankow *enroute* to Peiping.—H. H. Kung presides at meeting of Chinese industrial leaders at Shanghai to discuss national tariff schedule.

Publications of the

World Peace Foundation

On sale at the office of

The China Weekly Review

—China Today: Political—a booklet, which with appendix, contains more than 500 pages and covers the Nationalist Movement with a reference to the political organization before and since 1911, civil conflicts since 1916, the Nationalist Movement, Revolt Against External Influences, attitude of the United States, etc..... By Dr. Stanley K. Hornbeck, former professor of Oriental History at Harvard and now chief of the Far Eastern Bureau of the State Department...Price 30 ¢
(In cardboard cover)..... ,,$1.00

—Eighth Yearbook of the League of Nations, the record of 1927..... ,, 70 ¢

—The World Court, 1922 to 1928, the Yearbook of the Permanent Court of International Justice. By Dr. Manley O. Hudson, professor of International Law at Harvard ..... ,, 70 ¢

—American Neutrality and International Police, by Philip C. Jessup, Assistant Professor of International Law, Columbia University ..... ,, 70 ¢

—The British Commonwealth of Nations, by A. Lawrence Lowell and D. Duncan Hall ..... ,, 50 ¢

—Nicaragua and the United States, by Isaac Joslin Cox..... ,, 70 ¢

—Arbitration and the United States-Summary of Development of Pacific Settement of International Disputes ..... ,, 25 ¢

—The Locarno Conference, October 1925 ..... ,, 15 ¢

—The Mexican Revolution and the United States, 1910-1926 ..... ,, 15 ¢

—Problems of the Pacific, By Raymond Leslie Buell ..... ,, 25 ¢

In case copies of these books are desired in permanent cardboard binding the price is Mex. $2. Since there is only a limited number of copies on hand orders should be placed immediately. Send orders to the undersigned,

THE CHINA WEEKLY REVIEW

4 Avenue Edward VII

Shanghai.

Text of New China-Germany Treaty

Following is the full text of the new Treaty between China and Germany, signed at Nanking on August 16, 1928, by Dr. C. T. Wang, Minister for Foreign Affairs of the Nationalist Government of the Republic of China, and Mr. H. von Borch, Envoy Extraordinary and Minister Plenipotentiary of the German Reich to China. By the new treaty Germany makes the same arrangement with China that America and Great Britain have in their treaties recently concluded that duties to be paid by either of the contracting parties are not to be higher than paid by the nationals of any other country, and cancels the provision in the Chinese-German agreement of May 20, 1921, according to which German import goods shall pay duties in accordance with general tariff regulations. Provision is also made for the concluding of a new Treaty of Commerce and Navigation based on parity and equality. The old treaty and documents annexed to it treated with such matters as the abrogation of Consular jurisdiction, the return of German confiscated property, and the settling of the affairs of the Deutsch-Asiatische Bank.

The Republic of China and the German Reich, animated by the desire to further consolidate the ties of friendship which happily exist between the two countries and to extend and facilitate the commercial relations between the two countries, have, for this purpose, decided to conclude a treaty and have named as their Plenipotentiaries, that is to say:-

The President of the Council of the Nationalist Government of the Republic of China: DR. CHENGTING T. WANG, Minister for Foreign Affairs; The President of the German Reich: MR. H. VON BORCH, Envoy Extraordinary and Minister Plenipotentiary of the German Reich to China; who, having communicated to each other their full powers and found them to be in good and due form, have agreed upon the following treaty between the two countries:-

Article I. For the purpose of attaining absolute equality of treatment in customs matters and in supplementing the arrangements between China and Germany of the 20th of May, 1921, the two High Contracting Parties agree that in all customs and related matters either of the High Contracting Parties shall not, within the territories of the other Party, be subject to any discriminatory treatment as compared with the treatment accorded to any other country.

The nationals of each of the High Contracting Parties shall under no circumstances be compelled to pay within the territories of the other Party higher or other duties, internal charges or taxes whatsoever upon the importation or exportation of goods than those paid by nationals of the country or by nationals of any other country.

The provision in the exchange of notes annexed to the Sino-German agreement of the 20th of May, 1921, according to which German import goods shall pay duties in accordance with the General Tariff Regulations prior to the general application of the Autonomous Tariff Regulations, shall be hereby annulled.

Article II. The two High Contracting Parties will enter as soon as possible into negotiations for the purpose of concluding a Treaty of Commerce and Navigation based on the principle of perfect parity and equality of treatment.

Article III. The present treaty has been drawn up in Chinese, German and English; in case of a difference of interpretation the English text shall prevail.

Article IV. The present treaty shall be ratified as soon as possible and shall become valid on the day on which the two Governments shall have notified each other that the ratifications have been effected.

Done in duplicate at Nanking on the Seventeenth Day of the Eighth Month of the Seventeenth Year of the Republic of China, corresponding to the Seventeenth Day of August Nineteen Hundred and Twenty-eight.

(Signed) CHENGTING T. WANG,
Plenipotentiary and Minister for Foreign Affairs of the Nationalist Government of the Republic of China.

(Signed) HERBERT VON BORCH,
Plenipotentiary and Envoy Extraordinary and Minister Plenipotentiary of the German Reich to China.

A New Capital for China

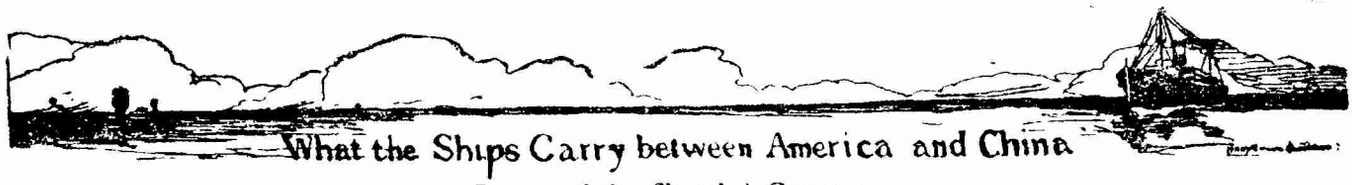
(Manchester Guardian, June 13)

It seems that the Nationalists are determined that the capital of China shall no longer be Peiping, a distinction which has been enjoyed by that city, with only a few intervals, ever since the end of the tenth century. The leaders of national or rival upheavals tend to abandon the strongholds of the old order as well as the old order itself. Thus Moscow took the place of Petrograd as the Russian capital. The change was not merely a matter of sentiment, for Moscow is the natural capital, being situated in the heart of Russia where the main lines of communication converge. Thus the change was convenient as well as revolutionary. The victorious Kemalists reoccupied Constantinople, for centuries the seat of the Sultanate and the Caliphate. It is also splendidly situated for commerce. But the Kemalists abolished the Sutanate and Caliphate, they had an intense moral prejudice against Constantinople, and they cared more for safety than for commerce. They transferred the seat of Government to Angora, a squalid town in the heart of Asia Minor, much to the disgust of the foreign representatives, who murmured at having to leave their palaces on the delightful shores of the Bosphorus. The change from Peiping and Nanking is justified only by sentiment. Nanking cannot, without a vast outlay, accommodate the Government offices and the central administration of a realm so huge as China. It is no less exposed to attack than Peiping. The change will not be opposed by the Powers, whose Legations are are at Peiping in accordance with the Boxer agreement. Nor is it at all certain that Chinese tradition will not assert itself in favor of the ancient capital. But that the change, which will add to the already immense difficulties of the Nationalists, has been proposed at all, shows the strength of their conviction that a new era in Chinese history is about to begin.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Aug. 9th	Sale Price Aug. 16th	Approx. Yield to Maturity Aug. 16th.
Czecho Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	109	100	7.12
Republic Chile S.F. Loan	7	Nov. 1, 1942	101½	102½	6.72
Argentine Government.. Ext. S.F. Loan.....	6	May. 1, 1960	99½	99½	6.04
Kingdom of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	98½	96⅝	7.31
Austrian S. F. G. Loan..	7	June 1, 1943	103.⅝	103¼	6.65
Japanese Govt. (£).....	5	1907/1947	87½	87½	6.12
German Govt. S. F. Loan	7	Oct. 15, 1949	106⅜	106⅛	6.45
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 1, 1950	101¼	101¼	6.89
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	100⅝	100⅜	6.95
German G.E.C.S.F. Loan	7	Jan. 15, 1945	104	103¼	6.62
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1954	98	98	6.66
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98	98	6.71
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	98	98	6.74
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	99¼	98	7.72
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	99½	99	7.11
Pennsylvania Dixie Cement Corporation...	7	Pfd. Stock	93	93	7.53
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	108	107½	6.53
Willys Overland Co... .	7	Pfd. Stock	97½	98	7.14
The National City Bank of New York.....	20	Stock	820	800	2.50
Republic of Peru Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	105	104½	7.11
Hershey Chocolate Corp.	$4	Pfd. Stock	74	72	5.56
Belgian National Railway Co. Participating Pfd. Stock (American Shares) Market to Yield.....					6.90
General Mills Inc.....	6	Cum. Pfd. Stock	101	101	5.94
Grasselli Chemical Co.....		Common Stock	49	50	—
DodgeBrothers Inc....	$7	Pfd. Stock	74	76	9.21
Cannon Mills Co....		Common Stock		48	—
Cannon Mills Co....		Common Stock		48	—
Mohawk Capet Mills.. Ine		Common Stock		40	—

The National City Company, The National City Bank Building, No. 2A Kiukiang Roa ., Shanghai, China.



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—Piculs or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls.; Aug Customs Rate Tls. 1.38 equal Gold $1

DARDANUS, July 20.

To New York.

Bristles	Pls.	45

MALAYAN PRINCE, July 20

To New York.

Brassware	Pls.	13
Lead Type	,,	26
Carpets, Tientsin:		
Over 100 sq.ft.	Pcs.	7
Under ,, ,,	,,	3

PRESIDENT GARFIELD, July 23.

From U. S. A.

Cotton Muslins:		
White, 46 in. by 12 yd.	Pcs.	241
Bedsteads Brass	,,	12
,, Steel	,,	151
Machines, Knitting	,,	28
Motor-cars	,,	9
Motor-cycles	,,	6
Oilcloth	,,	5,032
Safes, Iron	,,	48
Typewriters	,,	85
Cotton "Dog's Head," Yarndyed	Yds.	1,472
Cotton Cloth, Rubberized	Yds.	1,635
Aluminium Ingots	Pls.	17
Aluminium Sheets	,,	217
Bronze, Powder	,,	49
Steel Washers	,,	77
,, Wire Shorts	,,	420
Aluminium Foil	Pls.	45
Ammonia, Sulphate of	,,	1,680
Canned Fruits, Table	,,	101
Cement	,,	282
Coffee Beans	,,	6
Fireclay	,,	297
Indigo Paste, Artificial:		
20 per cent	,,	1,750
50 ,,	,,	53
Ink, Printing	,,	587
Leather, Calf	,,	5
,, Sole (Bellies)	,,	42
Milk, Evaporated	,,	100
Oranges, Fresh	,,	430
Paper, Ledger	,,	155
,, Wall	,,	64
,, Writing	,,	391
,, Unenumerated	,,	24
Sugar, Cube	,,	9
Sulphur Black	,,	271
Canned Sardines	Doz.	464
Hosiery	,,	42
Shoes	,,	138
Cigarettes	Mille	60
Lemons, Fresh	Mille	81
Oil, Lubricating, Mineral	Galls	7,709
,, Transformer	,,	1,000
Paints, Unenumerated	,,	453
Varnish	,,	376
Dyes, Aniline Pkgs, 758	Hk. Tls.	38,758
Infants' Food	,,	11 164
Machinery	,,	28,136
Treasure:		
Silver Bars	,,	1,132,841

PACIFIC MARU, July 23.

To U. S. A.

Cotton Rags	Pls.	2,857

PRESIDENT GARFIELD, July 24.

To U. S. A.

Antimony, Regulus	Pls.	1,391
Bristles	,,	386
Egg Albumen, Dried	,,	84
Hair, Horse	Pls.	225
Hides, Buffalo	,,	7
Hides, Cow,	Pls.	76
Skins, Goat, Untanned	,,	39
Foreign Goods.		
Tinned Plates, Plain	Pls.	444

TRICOLOR, July 25.

From U. S. A.

Aluminium-foil	Pls.	36
Aluminium Wire	,,	23
Iron Pipe Fittings	,,	72
Iron Galvanized:		
Pipe Fittings	,,	148
Steel, Tool	,,	589
Dextrine	,,	30
Glucose	,,	69
Paper, Coated	,,	467
Soap Powder	,,	47
Soda Ash	,,	63
Starch,	,,	462
Tobacco, Leaf	,,	1,563
,, Scraps	,,	170
Twine, Cotton	,,	14
Wax, Paraffin	,,	6,673
Glass, Window, Coloured Sq.ft.		1,750
Oil, Kerosene, in Cases Galls.		396,330
Machinery	Hk. Tls	53,850

BOWES CASTLE, July 25.

from U. S. A.

Antifriction Metal	Pls.	8
Lead-foil and Tinfoil	,,	437
Iron Nails, Wire	Pls.	300
Steel, Galavanized:		
Wire Shorts	,,	1,222
Tinned Plates, Plain	,,	840
Type Metal	,,	17
Carbon Black	,,	246
Grease, Lubricating, Mineral	,,	62
Petrolatum	,,	139
Tobacco, Leaf	,,	4,113
Typewriters	Pcs	63
Machinery	Hk. Tls.	9,832

RHINE MARU, July 25.

From U. S. A.

Iron Hoops, Used	Pls.	277
Steel Plate Cuttings	,,	283
Steel, Galvanized:		
Sheets, Plain	,,	157
Wire	,,	99
,, Shorts	,,	506
Sugar of Milk	,,	33
Tobacco, Leaf	,,	7,439
Paints: Unclassed	Galls.	4,730

GOLDEN HORN, July 25.

from U. S. A.

Steel Plate Cuttings	Pls.	2,056
Acetone	Pls.	26
Asphaltum	,,	7,483
Oil, Kerosene in Cases	Galls.	40,200
,, ,, ,, Drums	,,	202,500
Oil, Lubricating, Mineral	Galls.	38,767
Turpentine, Mineral	,,	1,250

ILLINOIS, July 26.

From U. S. A.

Flour, Wheat	Pls.	74
Paper, Unclassed	,,	6,039
Paints, Unclassed	Galls.	208
Timber, Ordinary, Sawn:		
Softwood	Sup.ft.	818,868

Latest New York Stock Exchange Quotations

Market Closed Irregular. Tel. 18891-18990 Aug. 8

Market Closed Weak. Business done 2,250,000

STOCK	Monday Aug. 20	Tuesday Aug. 21
Allied Chemical & Dye (Common)	187¼	189¾
American Can (Common)	106⅞	107
American Radiator	149	151⅜
American Smelting	212½	218
American Telephone & Tel. (Common)	176⅜	180⅜
American Tobacco "B"	161½	162
Armour & Co. "A"	19	19¾
Armour & Co. (Ill.) 7% Pfd.	86¾	86¾
Anaconda Copper	66¾	66
Baltimore & Ohio	107⅝	112
Bank of Montreal	348	354
Bethlehem Steel (Common)	60⅛	61⅛
Bethlehem Steel, 7% Pfd.	118	118
Canadian Marconi	6⅜	6¼
Canadian Pacific Railway	210	212½
Canada Dry Ginger Ale	77⅝	78
Cerro de Pasco	78	77⅜
Chrysler	95½	94¾
Consolidated Gas of New York	146⅞	mult.
Coty Incorporated	189¾	191
Du Pont de Nemours E. I. (Common)	374½	376
Eastman Kodak	184⅜	None
Electric Investors	61⅞	64½
Fox Film "A"	84⅞	85
General Cigar	60⅝	61
General Motors	183⅛	185¾
Gold Dust	90⅞	92⅛
Hudson Motor Car	79¼	79⅜
Industrial Rayon	83½	83
Interboro Rapid Transit	46½	47½
International Cement (Common)	None	64⅞
International Match, Pfd.	103	104
International Nickel (Common)	100	101
International Products Corp. (Common)	None	12
International Products Corp., Pfd.	77½	77⅜
International Telephone & Teleg.	179	179½
Kelvinator	9½	8¾
Kennecott Copper	95¾	95⅞
Liggett & Myers, Class "B"	87¾	88⅛
Loews Inc.	54⅞	55⅛
Lorillard Company (Common)	28⅛	29
Mack Trucks (Common)	90⅛	90
Madison Square Garden	24⅞	24¾
Missouri Pacific By.	64⅞	65
New York Air Brake Co.	41¼	42½
New York Central (Common)	165½	169
North German Lloyd 6's 1947	93	92½
Pacific Gas & Electric Co.	48	48⅜
Packard Motor Car Co. (Common)	80¼	81⅝
Pennsylvania Railroad	64	63⅞
Radio Corporation	181⅞	184
Remington Rand (Common)	24⅞	25¼
Reynolds Tobacco, "B"	132	132⅞
Sears, Roebuck & Co.	135	139⅞
Standard Gas & Electric (Common)	68	67
Standard Oil of California	57⅛	57½
Standard Oil of Indiana	74⅞	75
Standard Oil of New Jersey	45⅛	45⅜
Standard Oil of New York	35¼	35½
Texas Corporation (Common)	62⅛	62¼
Texas Gulf Sulphur	69	69⅞
Timken Roller Bearing	125	126½
Union Carbide	168	1 8⅞
Union Pacific Railroad (Common)	194¼	195⅜
United States Leather	64	63
United States Realty & Imp Co.	80⅜	85
United States Rubber (Common)	31½	32¾
United States Rubber, 8% Pfd.	61½	64⅞
United States Steel	148⅜	151⅞
Westinghouse Electric (Common)	99⅝	101¼
Underwood Elliott	69	70
Wright Aeronautical	159¼	159½

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, well commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow known as the *"Garden City of the Orient"*, Wusih, the pictureque city on Lake Tai-hu, Chinkiang, the *"Gate of the Yangtze River"*, and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with its picturesque surroundings that it has been well called the *"Switzerland of China"*. Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai at Shanghai North Station.

45-548

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:56 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Mr. C. H. Yang, Managing Director, Peking-Hankow Line, Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

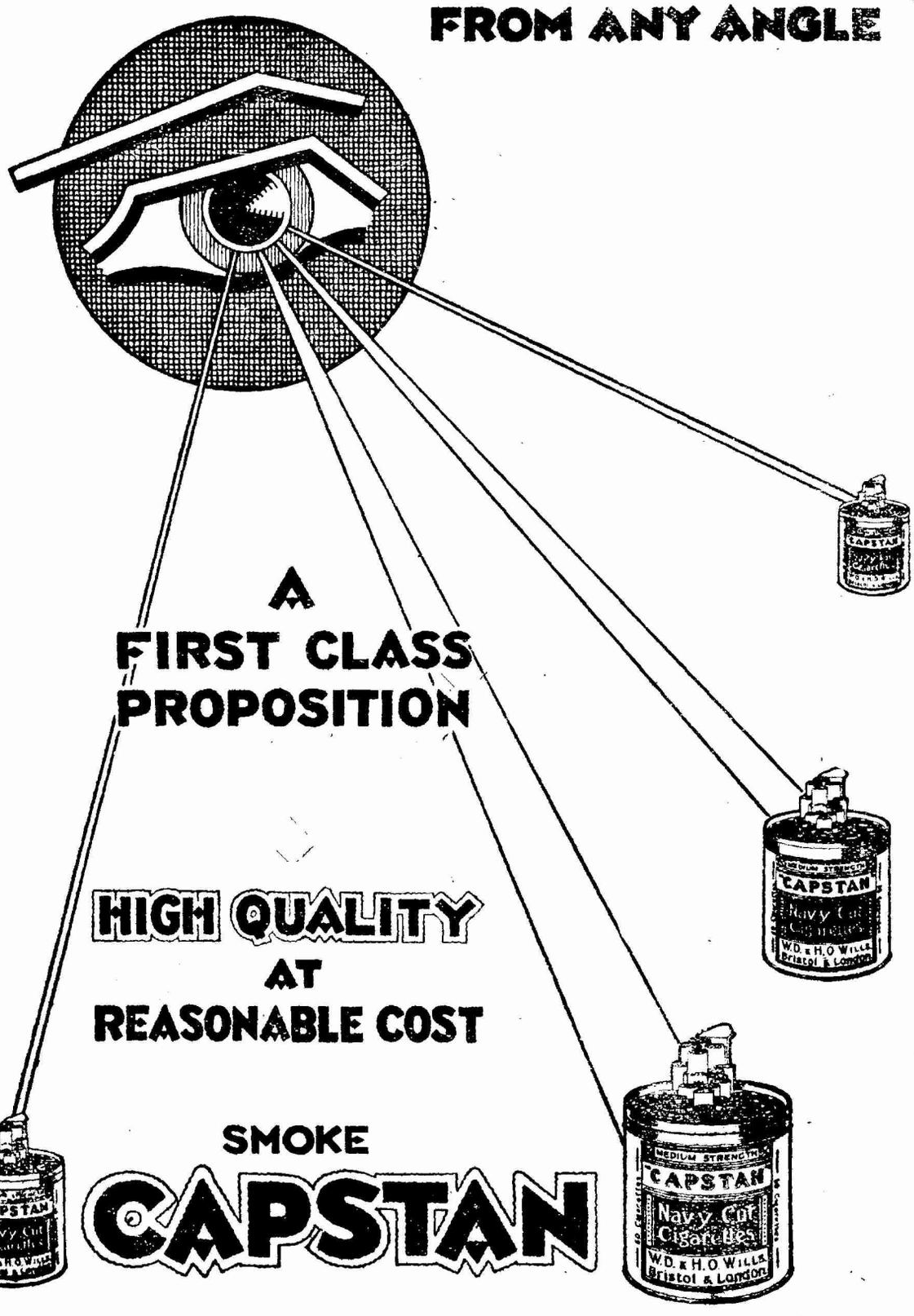
The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

LOOKED AT
FROM ANY ANGLE



A FIRST CLASS PROPOSITION

HIGH QUALITY AT REASONABLE COST

SMOKE

CAPSTAN

MADE IN ENGLAND

EB-784 This advertisement is issued by the British-American Tobacco Co. (China) Ltd.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.